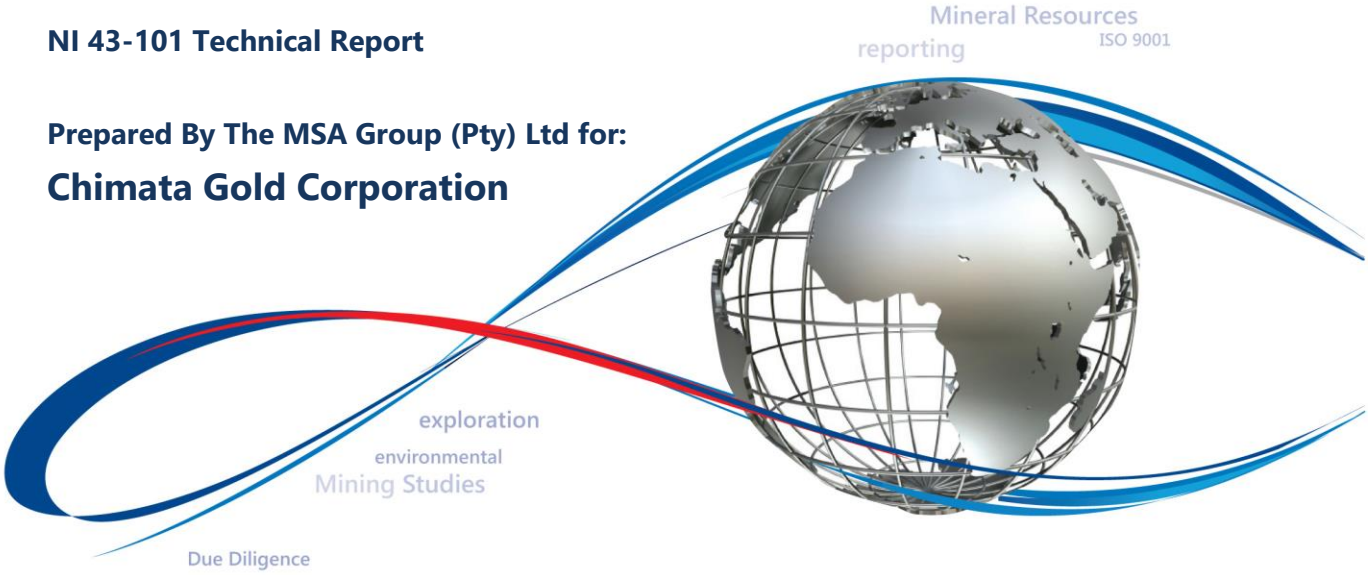
THE MSA GROUP

Specialist Consultants to the Mining Industry

Chimata Gold Corporation
Kamativi Lithium Tailings Project
Matabeleland North Province, Zimbabwe

NI 43-101 Technical Report



Prepared By The MSA Group (Pty) Ltd for:

Chimata Gold Corporation

Prepared By:

Michael Cronwright	M.Sc., Pr. Sci. Nat., FGSSA
John Derbyshire	B.Sc. Eng. (Chem), Pr.Eng., FSAIMM

Effective Date: 09 March 2018
Report Date: 03 April 2018

MSA Project No.: J3737

The MSA Group (Pty) Ltd | Registration No: 2000/002800/07
Tel: +27 (0)11 880 4209 | Fax: +27 (0)11 880 2184 | email: info@msagroupservices.com
Henley House, Greenacres Office Park: Cnr Victory and Rustenburg Roads, Victory Park, 2195
PO Box 81356, Parkhurst, 2120, South Africa
Directors: BJ Burnand, KD Scott, NN Buthelezi, SZ Majola

www.msagroupservices.com

IMPORTANT NOTICE

This report was prepared as a National Instrument NI 43-101 Technical Report for Chimata Gold Corporation ("Chimata") by The MSA Group (Pty) Ltd (MSA), South Africa. The quality of information, conclusions and estimates contained herein is consistent with the level of effort involved in MSA's services, based on: i) information available at the time of preparation, ii) data supplied by outside sources, and iii) the assumptions, conditions, and qualifications set forth in this report. This report is intended for use by Chimata subject to the terms and conditions of its contract with MSA. Except for the purposes legislated under Canadian provincial securities law, any other uses of this report by any third party is at that party's sole risk.

THE MSA GROUP

Specialist Consultants to the Mining Industry

The MSA Group (Pty) Ltd
Registration No: 2000/002800/07
Tel: +27 (0)11 880 4209 Fax: +27 (0)11 880 2184
email: info@msagroupservices.com
Henley House, Greenacres Office Park:
Cnr Victory and Rustenburg Roads, Victory Park, 2195
PO Box 81356, Parkhurst, 2120, South Africa
Directors: BJ Burnand, KD Scott, NN Buthelezi, SZ Majola

CERTIFICATE OF QUALIFIED PERSON

I, Michael Cronwright, Pr. Sci. Nat. do hereby certify that:

1. I am Principal Consultant of:

   The MSA Group (Pty) Ltd
   Henley House, Greenacres Office Park
   Cnr Rustenburg and Victory Roads
   Victory Park, Gauteng, South Africa,
   2196

2. This certificate applies to the technical report titled "Chimata Gold Corporation, Kamativi Lithium Tailings Project, Matabeleland North Province, Zimbabwe, NI 43-101 Technical Report, that has an effective date of 09 March 2018 and a report date of 03 April 2018 (the Technical Report).
3. I graduated with a B.Sc. (Hons) degree in Geology from the University of Natal (Durban) in 1998. In addition, I have obtained a M.Sc. in Exploration Geology from Rhodes University on 2005.
4. I am a Professional Natural Scientist (Geological Science) with the South African Council for Natural Scientific Professions (SACNASP) and a fellow of the Geological Society of South Africa.
5. I have worked as a geologist for a total of 18 years, during which time I have worked in a number of roles; as a scientific officer at the Council for Geoscience; as middle and senior management for a geological consultancy and executed exploration projects, conducted reviews and audits on numerous projects covering a variety of commodities and mineralisation styles, including pegmatite hosted lithium, tin and coltan projects.
6. I have read the definition of "qualified person" set out in National Instrument 43-101 (NI 43-101) and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfil the requirements to be a "qualified person" for the purposes of NI 43-101.
7. I visited the Kamativi Lithium Tailings Project on 7-8 April 2017 for 2 days.
8. I am responsible for, or co-responsible for, the preparation of sections 1-12, 20 and 23-27 of the Technical Report.
9. I have not had prior involvement with the property that is the subject of the Technical Report.
10. I am not aware of any material fact or material change with respect to the subject matter of the Technical Report that is not reflected in the Technical Report, the omission to disclose which makes the Technical Report misleading.
11. I am independent of the issuer according to the definition of independence described in section 1.5 of National Instrument 43-101.
12. I have read National Instrument 43-101 and Form 43-101F1 and, as of the date of this certificate, to the best of my knowledge, information and belief, those portions of the Technical Report for which I am responsible have been prepared in compliance with that instrument and form.
13. I consent to the filing of the Technical Report with any stock exchange and other regulatory authority and any publication by them for regulatory purposes, including electronic publication in the public company files on their websites accessible by the public, of the Technical Report.

Dated this 3rd day of April 2018.

"Signed and Stamped"

Michael Cronwright, Pr. Sci. Nat., FGSSA

THE MSA GROUP

Specialist Consultants to the Mining Industry

The MSA Group (Pty) Ltd
Registration No: 2000/002800/07
Tel: +27 (0)11 880 4209 Fax: +27 (0)11 880 2184
email: info@msagroupservices.com
Henley House, Greenacres Office Park:
Cnr Victory and Rustenburg Roads, Victory Park, 2195
PO Box 81356, Parkhurst, 2120, South Africa
Directors: BJ Burnand, KD Scott, NN Buthelezi, SZ Majola

CERTIFICATE OF QUALIFIED PERSON

I, John Derbyshire, Pr. Eng. do hereby certify that:

1. I am an Associate Metallurgist of:

   The MSA Group (Pty) Ltd
   Henley House, Greenacres Office Park
   Cnr Rustenburg and Victory Roads
   Victory Park, Gauteng, South Africa,
   2196

2. This certificate applies to the technical report titled "Chimata Gold Corporation, Kamativi Lithium Tailings Project, Matabeleland North Province, Zimbabwe, NI 43-101 Technical Report, that has an effective date of 09 March 2018 and a report date of 03 April 2018 (the Technical Report).
3. I graduated with a B.Sc. Eng (Chem) degree from the University of Witwatersrand in 1981.
4. I am a registered Professional Engineer (Pr.Eng.) with the Engineering Council of South Africa and a Fellow of the South African Institute of Mining and Metallurgy (FSAIMM).
5. I have worked as a metallurgist for a total of 37 years, with plant and operational experience in senior positions in the South African mining industry and covering a range of commodities.
6. I have read the definition of "qualified person" set out in National Instrument 43-101 (NI 43-101) and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfil the requirements to be a "qualified person" for the purposes of NI 43-101.
7. I have not visited the Kamativi Lithium Tailings Project.
8. I am responsible for, or co-responsible for, the preparation of sections 1, 13, and 25-27 of the Technical Report.
9. I have not had prior involvement with the property that is the subject of the Technical Report.
10. I am not aware of any material fact or material change with respect to the subject matter of the Technical Report that is not reflected in the Technical Report, the omission to disclose which makes the Technical Report misleading.
11. I am independent of the issuer according to the definition of independence described in section 1.5 of National Instrument 43-101.
12. I have read National Instrument 43-101 and Form 43-101F1 and, as of the date of this certificate, to the best of my knowledge, information and belief, those portions of the Technical Report for which I am responsible have been prepared in compliance with that instrument and form.
13. I consent to the filing of the Technical Report with any stock exchange and other regulatory authority and any publication by them for regulatory purposes, including electronic publication in the public company files on their websites accessible by the public, of the Technical Report.

Dated this 3rd day of April 2018.

"Signed and Stamped"

John Derbyshire, Pr. Eng., FSAIMM

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

LIST OF APPENDICES

1 SUMMARY

The MSA Group (Pty) Ltd ("MSA") has been commissioned by Chimata Gold Corporation ("Chimata"/ "the Company") to provide an Independent Technical Report on the Company's exploration activity on the Kamativi Lithium Tailings Property ("the Property") located in Matabeleland North, Zimbabwe. The Kamativi Lithium Tailings Project ("Kamativi tailings" / "Kamativi Project" / "the Project") comprises the tailings dump derived from the historical tin mining conducted within ML No. 12 at the now disused Kamativi Tin Mine

The Technical Report has been prepared in accordance with the disclosure and reporting requirements set forth in National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101"), Companion Policy 43-101CP, Form 43-101F1, and the CIM Definition Standards for Mineral Resources and Mineral Reserves adopted by the CIM Council on May 10, 2014.

1.1 Ownership

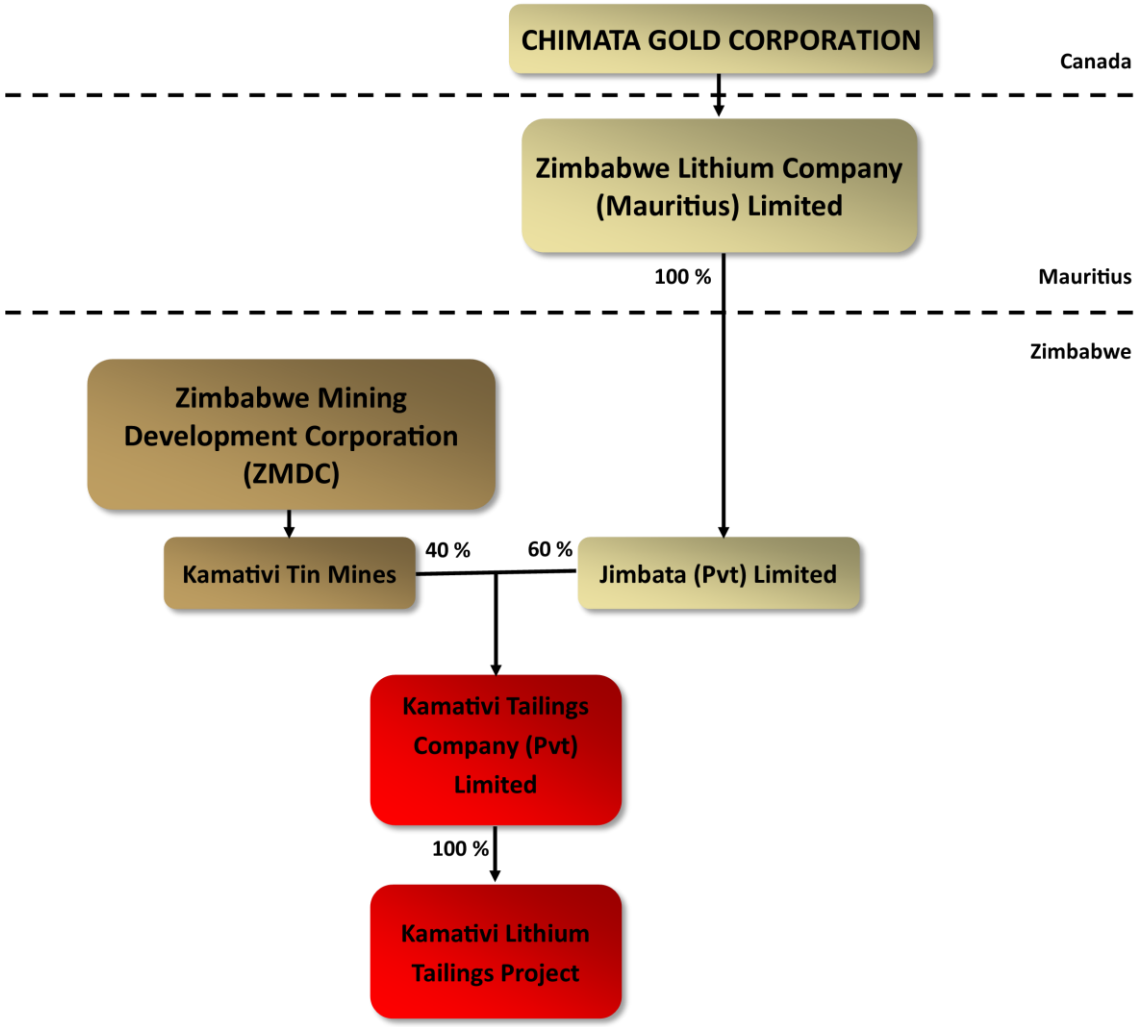
On 14 February 2018, Chimata announced the company had entered into a binding letter of intent with Zimbabwe Lithium Company (Mauritius) Limited ("ZIM"), a privately held company incorporated under the laws of Mauritius (Chimata, 2018). In terms of the Letter of Intent, Chimata will subscribe to share capital of ZIM for an initial subscription of 19% of ZIM's share capital in exchange for the allocation by Chimata of an amount of shares representing 19 % of its then outstanding share capital to ZIM. Chimata has the right to further acquire the remaining issued and outstanding share capital of ZIM upon fulfilling certain terms and conditions as set out in the Letter of Intent, the whole resulting in ZIM becoming a subsidiary of Chimata.

The Kamativi project is a joint venture ("JV") between the Zimbabwe Mining Development Corporation ("ZMDC"), owners of Kamativi Tin Mines which holds 40 % of the Project, and Jimbata (Pvt) Ltd ("Jimbata"), which holds 60 %. A JV Agreement was entered into between Lintmar (Private) Limited ("Lintmar") and ZMDC on 2 February 2018. A letter from Jimbata, dated 16 February 2018 confirms the cession by Lintmar rights and interests in the Kamativi Mine Tailings Dump to Jimbata, including all aspects of the JV Agreement with ZMDC.

The JV Company (Jimbata (60 %) and Kamativi Tin Mines (40 %), Kamativi Tailings Company (Pvt) Limited, was incorporated on 16 February 2018 as per the Companies Act [Chapter 24:03] of Zimbabwe.

On positive outcome of this NI 43-101 Technical Report, Chimata and ZIM will enter into a Definitive Agreement which gives Chimata the right, on completion of a Mineral Resource estimate undertaken in accordance with NI 43-101, and the fulfilment of the requirements as set out in the Letter of Intent, to acquire 100 % equity ownership of ZIM. This would give Chimata ownership over ZIM's equity interests. ZIM is a 100 % equity owner of Jimbata. The ownership structure of the Project is shown in Figure 1-1.

Figure 1-1
Project ownership structure



1.2 Property Description and Location

The Kamativi Project is located outside the village of Kamativi in the Matabeleland North Province of Zimbabwe. The Project, which is identified as a lithium-bearing tailings dump deposit associated with the disused Kamativi tin mine, is located approximately 185 kilometres east-south-east of Victoria Falls, approximately 84 km by tar road east of Hwange and approximately 310 km northwest of Bulawayo.

The Project comprises an area contained within the Kamativi Mining Lease No. 12 ("ML No. 12") which is held by the Kamativi Tailings Company (Pvt) Limited.

1.3 Exploration and Mining History

The first reports of tin in the region date back to about 1920. The exploration and mining history is summarised in Table 1-1.

Table 1-1
Exploration and Mining History

Year	Description
~ 1920	Initial reports of the occurrence of tin
1920 - 1935	First pegging of Claims by Mr R.H. Aldworth (1935)
1936 - 1944	Production of cassiterite concentrates from alluvial deposits and surface rubble (panning and hydro-sluicing). First production declared by Messrs. R.H. Aldworth and S. Sauerman
1939-1949	Increase in production due to erection of small mills and the construction of a smelter in Bulawayo Tributors under the Government Ex-Serviceman Rehabilitation Scheme worked the claims (selective underground mining) after World War II
1949-1951	Rhodoak Limited set up the first Kamativi Tin Mines Limited
1951	Kamativi Tin Mines Limited acquired by Oakes Trust
1952	N.V. Billiton Maatschappij, a Dutch Naamloze Vennootschap ("N.V.") or public company, assumed financial and technical control A 400 tonnes per day pilot plant and an oil-fired drum-type rotary kiln were installed By 1964, an average of 64,000 tonnes of ore was being processed Production extended to other products (tin solder and bearing metals
1970-1986	Industrial Development Corporation of Zimbabwe ("IDC") acquired a controlling interest and ultimately entire shareholding Mill capacity increased to 2,000 tonnes per day, producing 950 tonnes of refined tin and alloys per year and approximately 23 tonnes of tantalite (Ta_2O_5) in slags. The plants processing capacity increased from 56,000 tonnes per month to 80,000 tonnes per month during this period
1986-1994	IDC transferred 91.3 % shares in Kamativi Tin Mines Limited to the ZMDC Economic reserves became depleted and tin production decreased to 1,060 tonnes in 1991 and 800 tonnes in 1993.
1994	Closure of the mine due to low tin prices, following the tin price crash of 1985, coupled with falling ore grades

By 1977 approximately 12 Mt of mineralised material had been mined and by 1982 the annual production was approximately 1,270 t of tin metal per annum, along with 32 t of tantalite contained within the smelter slags (which graded at 7-9 % Ta_2O_5).

Historical production figures indicate that the mine produced a total of 37,000 t of tin and 3,000 t of tantalite from 27 Mt of mineralised material. Production figures for the period 1984-1992 are summarised in Table 1-2.

Table 1-2
Summary of tin production from 1984 to1992

Year	Tonnes milled per annum	Feed/head grade (% Sn)
1984-88	(Ave) 962,063	0.146
1989	897,547	0.119
1990	985,489	0.116
1991	1,000,740	0.108
1992	1,156,810	0.089

Source: *Begg (2008)*

1.4 Geology and Mineralisation

The historic Kamativi tailings dump is a man-made deposit that was generated as a site for the containment of tailings produced during the processing of tin mineralisation at the Kamativi Tin Mine, most recently owned by the ZMDC.

The Kamativi tailings were deposited over the period 1936 to 1994 and are derived from the mining and processing of the mineralised tin-bearing (spodumene-bearing **l**ithium-**c**aesium-**t**antalum ("LCT")) pegmatites.

At Kamativi, spodumene is the main lithium mineral present with lesser amounts of cookeite, zinnwaldite, petalite and amblygonite. Historical estimates of the size and lithium content of the tailings dump indicate that there is lithium mineralisation of potential economic interest.

The pegmatites at Kamativi form part of a larger regional pegmatite belt within the Dete-Kamativi Inlier and are hosted in the supracrustal gneisses and schists of the Kamativi Schist Belt that form part of the Palaeoproterozoic Magondi Belt. The Dete-Kamativi inlier is the western extension of the Magondi Belt exposed through younger Phanerozoic cover. The inlier comprises granodioritic orthogneisses, granites and highly deformed and metamorphosed supracrustal sequences that are divided in four northeast-southwest tectonostratigraphic belts. The four belts are known as the Kamativi, Tshontanda, Inyantue and Malaputese and overlie and are surrounded by the orthogneisses.

The pegmatites that were mined at the Kamativi Tin Mine are unzoned bodies ranging from <1 m to >30 m wide and frequently bifurcate and pinch out along strike.

The pegmatites are albitised and contain tin (in the form of cassiterite), lithium (in the form of spodumene and a variety of other lithium minerals as listed above) and tantalum/niobium (tantalite-columbite minerals) mineralisation. The tin mineralisation occurs as cassiterite patches within the thinner pegmatite dykes and in the thicker flatter pegmatites it is more evenly disseminated with higher grade patches within individual pegmatites. The thicker (>4 m) pegmatites contain the lithium minerals, mainly spodumene, which constitute up to 15 % of the pegmatite composition. Average grades range from 0.65-0.75 % Li_2O and the spodumene contains 7 % Li_2O and <0.5 % Fe.

Wolframite is also reported to occur in small amounts in thin veins and stockworks of milky-grey quartz with minor tourmaline.

1.5 Current Exploration

To date the exploration and test work on the Kamativi Project has been limited to the following:

- a review of the historical data for the Project (Project history presented in section 6);
- a topographical survey of the tailings dump;
- limited grab sampling on the top of the tailings dump:
    - three grab sampling campaigns were conducted by Lintmar on the Kamativi tailings. The first sampling campaign was done in 2015, with follow-up sampling done in 2016 and

2017 which involved grab sampling of pits and trenches to a maximum depth of approximately 1.5 m;

- this information has been used to inform the calculation of an exploration target.
- Limited mineral processing and metallurgical testing has also been done.

1.6 Exploration Target

The data supplied by Chimata was used to create two dump topography surfaces and a base of dump surface. The surface models were constructed in Leapfrog 4.1 and the blocks models, used for volume calculation and thickness estimations were constructed using CAE Studio 3 software.

The volume range of the dumps is 14,800,000 m^3 to 15,080,000 m^3. If a density range of 1.55 t/m^3 to 1.65 t/m^3 is applied, an exploration target of 23 Mt to 25 Mt can be reported ranging from 0.40- 0.84 % Li_2O (Table 1-3). The potential tonnage and grade is conceptual in nature as there is insufficient exploration data to define a Mineral Resource. The Company cautions that further exploration may not result in the delineation of a Mineral Resource Estimate.

Constructing a representative dump model (a required input for Mineral Resource estimation) from the available data is currently not possible. In additional a systematic and representative sampling programme is required in order to estimate and report a Mineral Resource.

Table 1-3
Volume, tonnage, density and grade ranges of Kamativi Dump at 30 September 2017

Variable	Lower estimate	Upper estimate
Volume (m^3)	14,800,000	15,080,000
Density (t/m^3)	1.55	1.65
Tonnes (Mt)	23.0	25.0
Li_2O (%) (± 1 SD)	0.40	0.84

Source: *Computation differences may exist due to rounding.*

1.7 Metallurgy and Processing

Two grab sampling campaigns have been conducted on the tailings dump at the Kamativi Project. During 2015 samples were taken from historical sampling pits and trenches. These samples together with a second batch of grab samples taken from across the dump during June 2016 and July 2016 were removed to South Africa for mineralogical and metallurgical test work.

Elemental, grade by size, particle size distribution, and mineralogical analyses were carried out by SGS Laboratories in Johannesburg.

The preliminary test work indicates that:

- the original head samples contain an average of 0.74 % Li_2O, 316 ppm Sn, 24 ppm Ta and 0.83 % Fe. The individual sample Li_2O, iron and tantalum grades are fairly consistent, increasing confidence that the grades of these elements do not vary significantly across the surface of the dump. The tin grade is much more variable;

- mineralogical analysis indicates that the head material contains in the order of 6.4 % Spodumene, which accounts for 71 % of the total Li_2O content. A concentrate containing 96.3 % Spodumene (6.68% Li_2O) can be produced by means of heavy liquid separation ("HLS") at an SG of 2.96. Of the feed material, approximately 5.6 % reports to the HLS sinks fraction. The spodumene within the sinks fraction is well liberated, with 78.2 % of the crystals being entirely liberated. Attached spodumene within the sinks fraction is predominantly associated with plagioclase, quartz, muscovite, cookeite and petalite. The poorer liberation of the spodumene within the floats and slimes fraction is evidenced by the lower background associations of 58.60 % and 51.62 % for the spodumene in the floats and slimes respectively.

The mineralisation and distribution of the elements of interest has been adequately examined as well as some demonstration made as to the variability of these characteristics across the dump. It is noted that, with the exception of tin, the distribution of other elements is relatively uniform.

Further test work will be conducted after collecting a large, compliant, and representative sample from the Kamativi tailings resource. This test work, with the relevant data being used as inputs for flowsheet design, will be carried out according to the following individual test campaigns:

- Heavy liquid separation test work;
- Magnetic separation test work; and
- Flotation test work.

Heavy liquid separation test work will be conducted on a coarser fraction of the tailings material to ascertain the feasibility of the production of a spodumene pre-concentrate through the application of dense media separation technology. Magnetic separation test work will likely be required to remove iron bearing species from the HLS spodumene concentrate. Test work will involve the processing of concentrate material at various magnetic intensities, for the purposes of determining optimum operating parameters for the magnetic separation unit.

Due to the low efficiencies realised during the processing of fine material in a dense media separation circuit, flotation test work is to be completed on the finer fraction of the tailings material. Optimum operating conditions and reagent addition will be determined, in addition to the number of processing stages required. Grind optimisation and lock cycle flotation will also be conducted.

1.8 Adjacent Properties

The Property is located within a larger licence, ML No. 12 that includes the old Kamativi Tin Mine which is held by the ZMDC.

The rights to the hard rock lithium hosted pegmatite mineralisation within ML No. 12 are currently held in a JV between ZMDC and China Beijing Pinchang.

1.9 Conclusions and Recommendations

An exploration target of between 23-25 Mt at a grade of between 0.40 % to 0.84 % Li_2O has been estimated based on grab sampling of tailings material and volumes calculated from recent

topographical survey and a historical pre-tailings surface. The potential tonnage and grade is conceptual in nature as there are insufficient exploration data to define a Mineral Resource. The Company cautions that further exploration may not result in the delineation of A Mineral Resource Estimate.

Preliminary metallurgical test work suggests spodumene is recoverable through a combination of gravity and flotation methods, however more detailed work is required in order to establish the most efficient work flow and also a suitable method for the removal the iron from the concentrate.

The results of work completed on the Project to date warrant further exploration. The recommendations to be considered for subsequent exploration activities for the next two years on the Project are detailed below and summarised in Table 1-4.

Further exploration work is required in order to advance the Project and the proposed programme is:

- auger drilling and sampling programme over the tailings dumps to inform a Mineral Resource estimate. All assay work should be done in conjunction with XRD analysis in order to understand the distribution of the lithium mineralogy within the tailings;
- advanced metallurgical test work taking into account possible variations in grade and mineralogy identified in the drilling programme and optimise the gravity process, flotation, grind size, and removal of the iron from the final concentrate; and
- finalisation of the location of the new tailings disposal facility and proposed process plant. This will need to be done in conjunction with the Environmental Impact Assessment ("EIA").

Table 1-4
Summary of proposed exploration programme for next phase of exploration

Items	Key Quantities	Budget (USD)	Proposed Deliverables
Auger drilling programme	2,000 m drilling, SG determinations and assays	$250,000	Increased level of confidence and declaration of a Mineral Resource (dependant on results)
Advanced metallurgical test work	Flotation, grind size determination, magnetic separation and gravity test work	$150,000	Metallurgical process work flow
Environmental Impact Assessment	Hydrological study, hydrogeology, soils, water, biological field studies, tailings and pilot plant processing permitting.	$100,000	Initiation of the EIA Process

2 INTRODUCTION

2.1 Scope of Work

The MSA Group (Pty) Ltd ("MSA") has been commissioned by Chimata Gold Corporation ("Chimata") to provide an Independent Technical Report on the Company's exploration activity on the Kamativi Lithium Tailings Property ("the Property") located in Matabeleland North, Zimbabwe so that it can enter into an Option Agreement with the Zimbabwe Lithium Company (Mauritius) Limited ("ZIM"). ZIM, through its wholly owned subsidiary Jimbata (Pvt) Limited, holds, or has the right to, a 60 % interest or other indirect interest in the Kamativi Tailings Company (Pvt) Limited through Joint Venture Agreement(s) with the Zimbabwe Mining Development Corporation ("ZMDC"), owners of Kamativi Tin Mines who have a 40 % interest in the Kamativi Tailings Company (Pvt) Limited.

The Property comprises an area contained within the Kamativi Mining Lease No. 12 ("ML No. 12") which is held by the ZMDC. Kamativi Tailings Company (Pvt) Limited have a 100 % interest in the Kamativi Lithium Tailings Project.

The main focus of exploration on the Property and the subject of this Independent Technical Report ("Report") is the Kamativi Lithium Tailings Project ("Kamativi tailings" / "Kamativi Project" / "the Project") which comprises the tailings dump derived from the historical tin mining conducted within ML No. 12 at the now disused Kamativi Tin Mine.

This report is to be utilised to enter into a Definitive Agreement with ZIM to eventually acquire 100 % of ZIM's interest in the Project. Chimata will be responsible for making the necessary funds available for the purpose of exploration and evaluation of the Property.

The Report has been prepared in accordance with the disclosure and reporting requirements set forth in National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101"), Companion Policy 43-101CP, Form 43-101F1, and the CIM Definition Standards for Mineral Resources and Mineral Reserves adopted by the CIM Council on May 10, 2014.

A final draft of the report was also provided to Chimata, along with a written request to identify any material errors or omissions prior to lodgement.

Chimata's mineral Property is considered to represent an "Exploration Project" which is inherently speculative in nature. However, MSA considers that the Property has been acquired on the basis of sound technical merit. The Property is also generally considered to be sufficiently prospective, subject to varying degrees of exploration risk, to warrant further exploration and assessment of their economic potential, consistent with the proposed programmes.

Exploration and evaluation programme costs are summarised in Section 25. Chimata will aim to raise sufficient working capital to ensure at least two years of operation. The funds raised in the initial placement are understood by MSA to be committed to the exploration and development of the Property in Zimbabwe.

Chimata has prepared staged exploration and evaluation programmes, specific to the potential of the Project, which are consistent with the budget allocations. The Project has evolved on the basis of considerable exploration over the last eight months and MSA considers that the relevant areas

have sufficient technical merit to justify the proposed programmes and associated expenditure. The proposed Year 1 and 2 exploration budgets exceed the minimum annual statutory expenditure commitment on the mineral concessions in Zimbabwe.

All monetary figures expressed in this report are in United States of America dollars ("US$/USD") unless otherwise stated.

Coordinates shown on maps and sections are relative to UTM 35S/WGS84 and metres above mean sea level ("mamsl") unless otherwise stated.

2.2 Principal Sources of Information

MSA has based its review of the Property on information provided by Chimata, along with technical reports by Government agencies and previous tenement holders, a report titled "NI 43-101 Technical Report For the Kamativi Lithium Tailings Project, Kamativi, Matabeleland North Province, Zimbabwe" prepared by Cronimet Mining Processing SA (Pty) Ltd, a sub-contractor commissioned by Chimata to undertake preliminary technical feasibility work, and other relevant published and unpublished data. A listing of the principal sources of information is included at the end of this Independent Technical Report (Section 26).

2.3 Qualifications, Experience and Independence

MSA is an exploration and mining consulting and contracting firm, which has been providing services and advice to the international minerals industry and financial institutions since 1983.

This Technical Report has been compiled by:

- Mr Michael Cronwright (B.Sc. Hons., M.Sc.; FGSSA; Pr.Sci.Nat.), who is a professional geologist with 18 years' experience, the majority of which has involved the regional mapping and exploration on a wide range of commodities, primarily within southern Africa, including Competent Person ("CP") oversight, reviews, Qualified Person ("QP") and due diligence studies of tin properties in East Africa, numerous lithium projects in southern Africa and detailed mapping and a review of the Alto Ligonha Pegmatite Province in northern Mozambique. He is a Principal Consultant for MSA, is registered as a Pr.Sci.Nat. with the South African Council for Natural Scientific Professions ("SACNASP") and a member in good standing with SACNASP and is a Fellow of the Geological Society of South Africa ("GSSA"). Mr Cronwright has the appropriate relevant qualifications, experience, competence and independence to act as a "Qualified Person" as that term is defined in National Instrument 43-101 (Standards of Disclosure for Mineral Projects). Mr Cronwright is responsible for Sections 1-13, and 23-27; and
- Mr John Derbyshire (B.Sc. Eng. (Chem), Pr.Eng., FSAIMM) is a Professional Engineer with more than 38 years' experience in plant operations and projects over a range of commodities. Mr Derbyshire has worked as a Metallurgical Consultant and Manager for many years with responsibilities including program co-ordination, monitoring and interpretation of metallurgical output, and operational responsibilities including metallurgical aspects of

design, construction and commissioning and operation of concentrators. He is an Associate Metallurgical Consultant for MSA, is registered as a Professional Engineer with the Engineering Council of South Africa and is a Fellow of the South African Institute of Mining and Metallurgy. Mr Derbyshire has the appropriate relevant qualifications, experience, competence and independence to act as a "Qualified Person" as that term is defined in National Instrument 43-101 (Standards of Disclosure for Mineral Projects). Mr Derbyshire is responsible for Section 13, and parts of Section 1, 25 and 26.

Peer review has been undertaken by Dr Brendan Clarke and Mr André van der Merwe. Dr Clarke is a professional geologist with 17 years of mapping, exploration and project development geological experience. The majority of his experience has been gained on regional geological mapping programmes and orogenic gold, base metal and iron ore exploration. He has also worked on a variety of other mineralisation styles within Africa and the Middle East. Dr Clarke is registered as a Pr.Sci.Nat. with SACNASP and a Fellow of the GSSA. He has extensive training and experience in most types of mineral deposits and mineral exploration. Dr Clarke is the Head of Geology at MSA and is based in the Johannesburg office.

Mr André van der Merwe is a professional geophysicist and geologist with almost 30 years' experience in exploration, mining, project development (feasibility studies), due diligence reviews and valuations of mineral assets. Mr van der Merwe has been Technical Advisor to several successful listings on FTSE, AIM, TSX, ASX and JSE, as well as private fundraisings. He has provided Independent Expert Reports for several ASX listed companies. Mr van der Merwe, Head of Mining Studies at MSA, is registered as a Pr.Sci.Nat. with SACNASP, a Member of the Australasian Institute of Mining and Metallurgy and is a Fellow of the GSSA.

Neither MSA, nor the authors of this report, have or have had previously, any material interest in Chimata or the mineral properties in which Chimata has an interest. The QPs are not insiders, associates or affiliates of BLE. MSA's relationship with Chimata is solely one of professional association between Client and Independent Consultant. This Report is prepared in return for professional fees based upon agreed commercial rates and the payment of these fees is in no way contingent on the results of this Report.

2.4 Site Visits

A site visit was made by Mr Michael Cronwright during the period 7 to 8 August 2017 to the Property during which check samples were taken on the tailings dump previously sampled by ZIM's local representative, Lintmar. MSA has endeavoured, by making all reasonable enquiries, to confirm the authenticity and completeness of the technical data upon which the Independent Technical Report is based.

2.5 Effective Date

The Independent Technical Report has been prepared on information available up to and including 09 March 2018.

3 RELIANCE ON OTHER EXPERTS

MSA's opinion contained herein is based on information and data provided to MSA by Chimata and their partners throughout the course of the investigations. MSA have relied on Chimata for input on Property ownership, history, geology, exploration, permitting and market studies in support of this Technical Report.

MSA used their experience to determine if the information from previous reports was suitable for inclusion in this Report and adjusted information that required amending. This report includes technical information which required subsequent calculations to derive subtotals, totals and weighted averages. Such calculations inherently involve a degree of rounding and consequently introduce a margin of error. Where these occur, MSA do not consider them to be material.

MSA has relied on Chimata for information relating to Property ownership and agreements. The Project is understood to consist of an area, of approximately 5.9 km^2 within ML No. 12, which covers an area of approximately 44 km^2, issued to Kamativi Tin Mines (a subsidiary of ZMDC) on the 5th of January 1976.

MSA has not independently verified, nor is it qualified to verify, the legal status of this licence and/or any other licences which have been amalgamated into the current licence. The present status of the licence(s) listed in this report is based on information and copies of documents provided by Chimata and its partners, and the report has been prepared on the assumption that the tenements will prove lawfully accessible for evaluation. MSA did not seek an independent legal opinion on these items.

Neither MSA nor the authors of this report are qualified to provide extensive comment on legal issues associated with Chimata's joint venture agreements. Comment on these agreements is for introduction only and should not be relied on by the reader.

No warranty or guarantee, be it express or implied, is made by the QPs with respect to the completeness or accuracy of the legal aspects of this document. The QPs do not undertake or accept any responsibility or liability in any way whatsoever to any person or entity in respect of this part of this document, or any errors in or omissions from it, whether arising from negligence or any other basis in law whatsoever.

Neither MSA nor the authors of this report are qualified to provide comment on environmental issues associated with Chimata's Property and the Project.

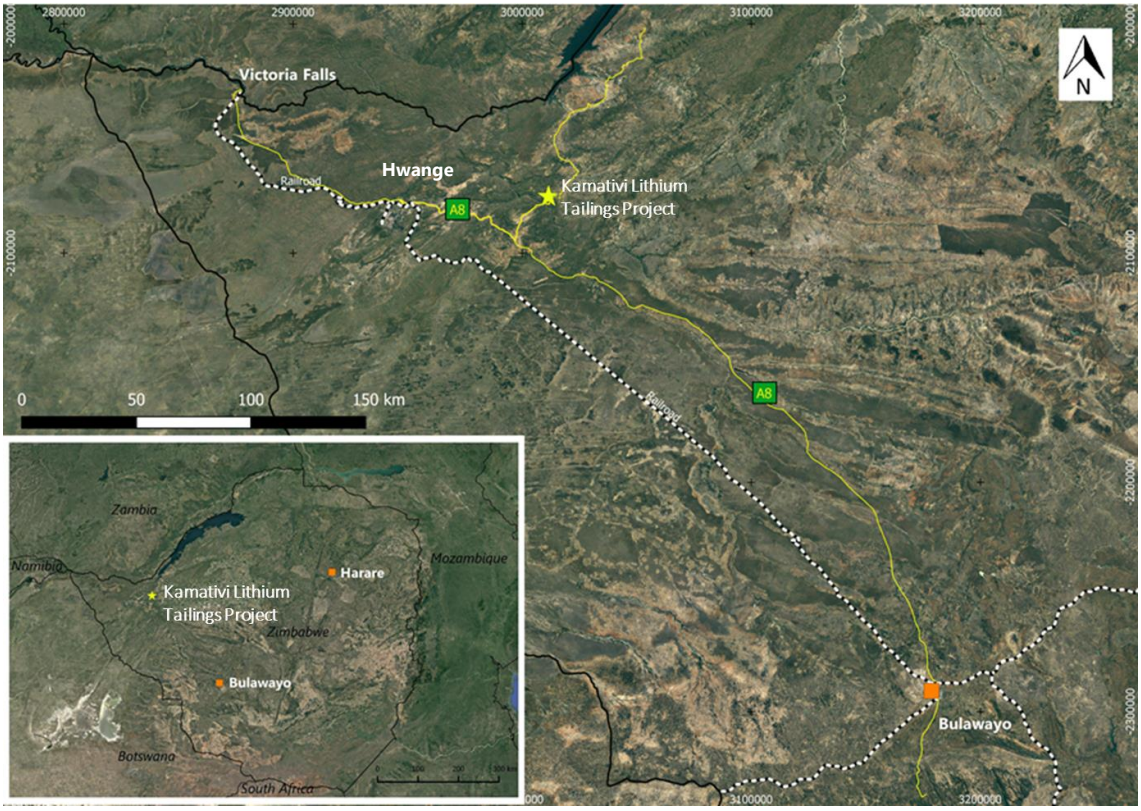
4 PROPERTY DESCRIPTION AND LOCATION

4.1 Location

The Kamativi Lithium Tailings Project (the "Project") is located outside the village of Kamativi in Matabeleland North Province, Zimbabwe. The Project, which is identified as a tailings deposit associated with the disused Kamativi tin mine, is located approximately 185 kilometres east-south-east of Victoria Falls, approximately 84 km by all-weather tar road east of Hwange and approximately 310 km northwest of Bulawayo.

The Project is situated within the Kamativi Tin Mining Lease No. 12. Access to the mine from Bulawayo is along the A8, tarred Bulawayo/Victoria Falls highway up to the 270 km peg, from which a north bound tarred road is followed for 29 km to the mine. The Project location is shown in Figure 4-1.

Figure 4-1
Map showing the location of the Property within Zimbabwe



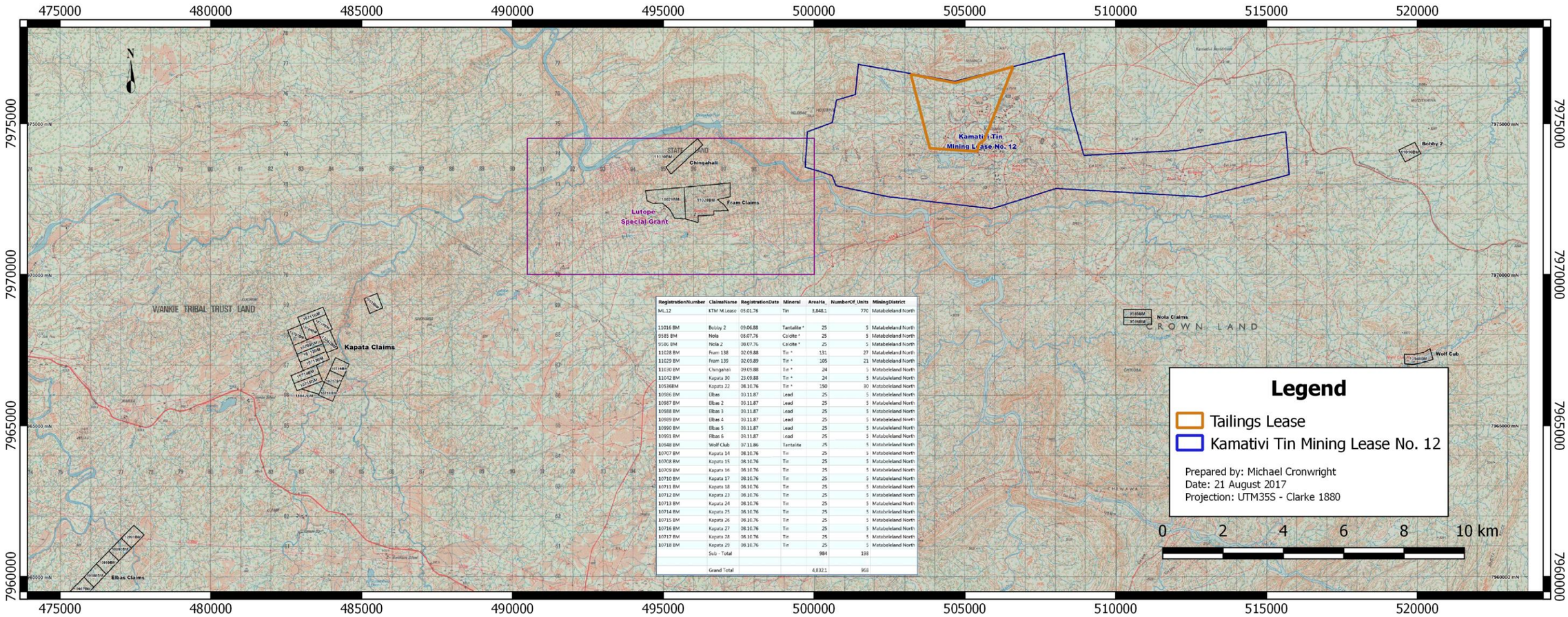
Note: *Background map sourced from Google Earth (2017)*

4.2 Mineral Tenure, Permitting, Rights and Agreements

The Project comprises an area of 5.91 km^2 covering the tailings dump from the old Kamativi Tin Mine and falls within ML No. 12 which covers an area of 44.4 km^2 (Figure 4-2 and Figure 4-3).

Figure 4-2

Map showing the location of the Property within ML No.12. Also shown are neighbouring properties in the area

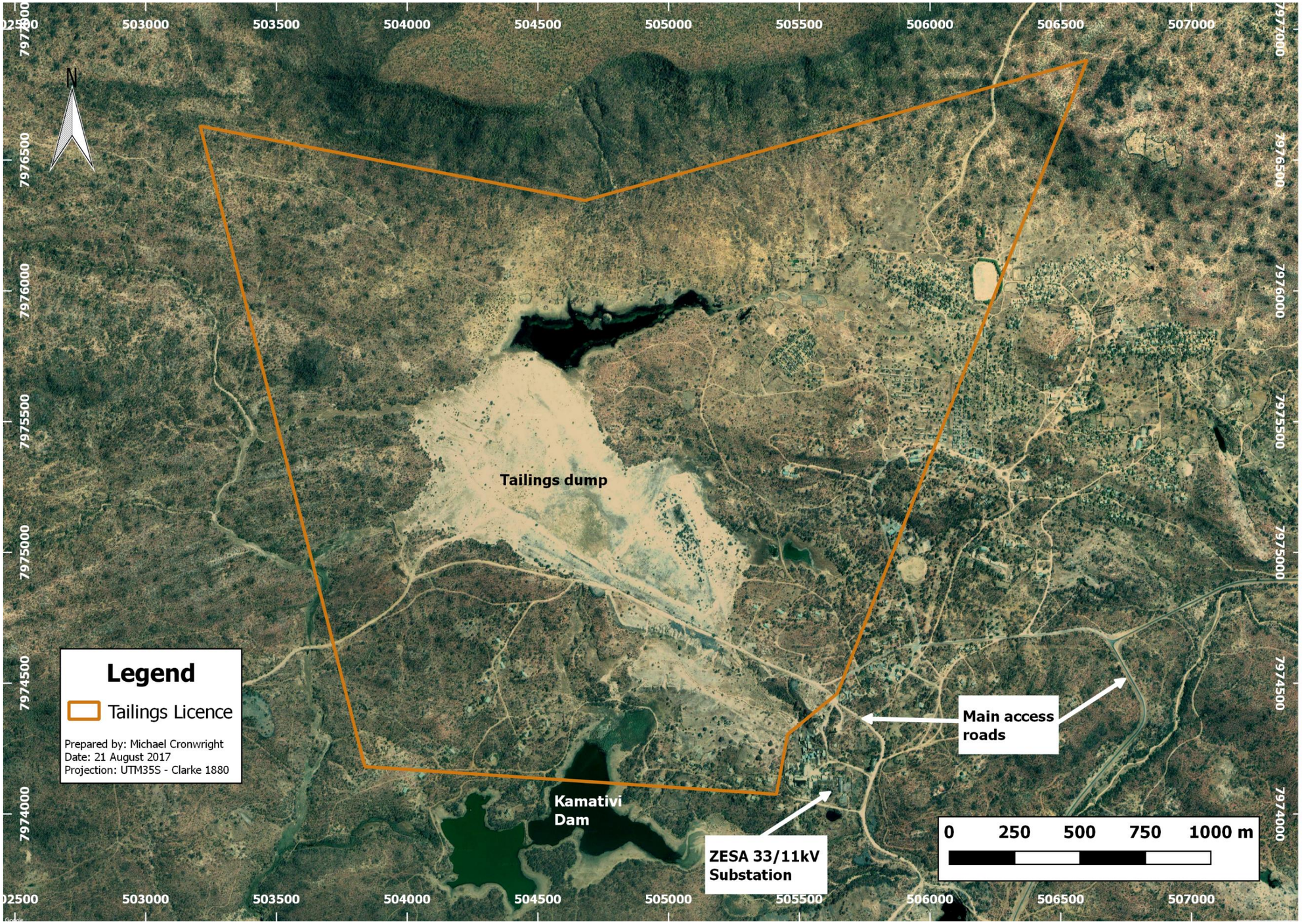


RegistrationNumber	ClaimsName	RegistrationDate	Mineral	AreaHa	NumberOf Units	MiningDistrict
ML12	KTM M.Lease	05.01.76	Tin	3,848.1	770	Matabeleland North
11016 BM	Bobby 2	09.06.88	Tantalite *	25	5	Matabeleland North
9585 BM	Nola	08.07.76	Calcite *	25	5	Matabeleland North
9586 BM	Nola 2	08.07.76	Calcite *	25	5	Matabeleland North
11028 BM	Fram 138	02.05.88	Tin *	135	27	Matabeleland North
11029 BM	Fram 139	02.05.89	Tin *	105	21	Matabeleland North
11030 BM	Chingahali	09.09.88	Tin *	24	5	Matabeleland North
11042 BM	Kapata 30	23.09.88	Tin *	24	5	Matabeleland North
10536BM	Kapata 22	08.10.76	Tin *	150	30	Matabeleland North
10986 BM	Elbas	30.11.87	Lead	25	5	Matabeleland North
10987 BM	Elbas 2	30.11.87	Lead	25	5	Matabeleland North
10988 BM	Elbas 3	30.11.87	Lead	25	5	Matabeleland North
10989 BM	Elbas 4	30.11.87	Lead	25	5	Matabeleland North
10990 BM	Elbas 5	30.11.87	Lead	25	5	Matabeleland North
10991 BM	Elbas 6	30.11.87	Lead	25	5	Matabeleland North
10948 BM	Wolf Club	07.11.86	Tantalite	25	5	Matabeleland North
10707 BM	Kapata 14	08.10.76	Tin	25	5	Matabeleland North
10708 BM	Kapata 15	08.10.76	Tin	25	5	Matabeleland North
10709 BM	Kapata 16	08.10.76	Tin	25	5	Matabeleland North
10710 BM	Kapata 17	08.10.76	Tin	25	5	Matabeleland North
10711 BM	Kapata 18	08.10.76	Tin	25	5	Matabeleland North
10712 BM	Kapata 23	08.10.76	Tin	25	5	Matabeleland North
10713 BM	Kapata 24	08.10.76	Tin	25	5	Matabeleland North
10714 BM	Kapata 25	08.10.76	Tin	25	5	Matabeleland North
10715 BM	Kapata 26	08.10.76	Tin	25	5	Matabeleland North
10716 BM	Kapata 27	08.10.76	Tin	25	5	Matabeleland North
10717 BM	Kapata 28	08.10.76	Tin	25	5	Matabeleland North
10718 BM	Kapata 29	08.10.76	Tin	25	5	Matabeleland North
	Sub - Total			984	198	
	Grand Total			4,832.1	968	

Source: *ZMDC (2014). Background composite map (Zimbabwe 1:50 000 scale topographic maps: 1826 B3 Wankie East, 1826 B4 Cross Roads, and 1827 A3 Kamativi)*

Figure 4-3

Map showing the outline of the Property and local infrastructure



Note: *Background image sourced from Google Earth (2017)*

The mining lease was granted to Kamativi Tin Mines on the 5th of January 1976 for all minerals. The Zimbabwe Mining Development Corporation ("ZMDC") was established by the Act of Parliament No. 31 of 1982 and is owned by the Government of Zimbabwe. On November 24, 1986, the Industrial Development Corporation of Zimbabwe ("IDC") transferred 91.3 % the shares it owned in Kamativi Tin Mines Limited to the ZMDC.

The Kamativi project is a joint venture ("JV") between the ZMDC, owners of Kamativi Tin Mines, which holds 40 % of the Project, and Jimbata (Pvt) Ltd ("Jimbata"), a company incorporated under the laws Zimbabwe, which holds 60 %. A JV agreement was entered into between Lintmar (Private) Limited ("Lintmar"), a company incorporated under the laws Zimbabwe, and ZMDC on February 2, 2018 (the "JV Agreement") (Appendix 2).

On February 6, 2018 Lintmar requested for ZMDC's approval in order to assign all of its rights and interests in the JV Agreement, as this assignment option was provided in said JV Agreement (Appendix 3). On February 14, 2018, following the aforementioned request by Lintmar, ZMDC confirmed its consent to the cession, assignment and transfer by Lintmar to Jimbata of Lintmar's rights, obligations and interest of the JV Agreement (Appendix 4). By a letter dated February 16, 2018, Jimbata confirmed the cession by Lintmar of all of its rights and interests in the Kamativi Mine Tailings Dump to Jimbata, including any and all ancillary rights in the JV Agreement (Appendix 5). Jimbata is 100 % owned by the Zimbabwe Lithium Company (Mauritius) Limited ("ZIM"), a privately held company incorporated under the laws of Mauritius.

The JV company (being respectively owned by Jimbata (60 %) and Kamativi Tin Mines (40 %)), named Kamativi Tailings Company (Pvt) Limited, was incorporated on February 16, 2018 as per the *Companies Act [Chapter 24:03] of Zimbabwe*.

On February 14, 2018, Chimata announced by way of press release (a copy of which is reproduced as Appendix 10) that it had entered into a binding letter of intent ZIM (the "LOI". In terms of the LLOI, Chimata will subscribe by way of share exchange for an initial subscription of 19% of ZIM's share capital in exchange for the allocation by Chimata of an amount of shares representing 19 % of its then outstanding share capital to ZIM. Chimata has the right to further acquire the remaining issued and outstanding share capital of ZIM upon fulfilling of certain terms and conditions as set out in the LOI, the whole resulting in ZIM becoming a wholly owned subsidiary of Chimata.

On positive outcome of this NI 43-101 Technical Report, Chimata and ZIM will enter into a definitive share exchange agreement which will give Chimata the right, on completion of a Mineral Resource estimate undertaken in accordance with NI 43-101, and the fulfilment of the requirements as set out in the LOI, to acquire 100% equity ownership of ZIM. This would give Chimata ownership over ZIM's equity interests, ZIM being a 100 % equity owner of Jimbata, as mentioned hereinabove.

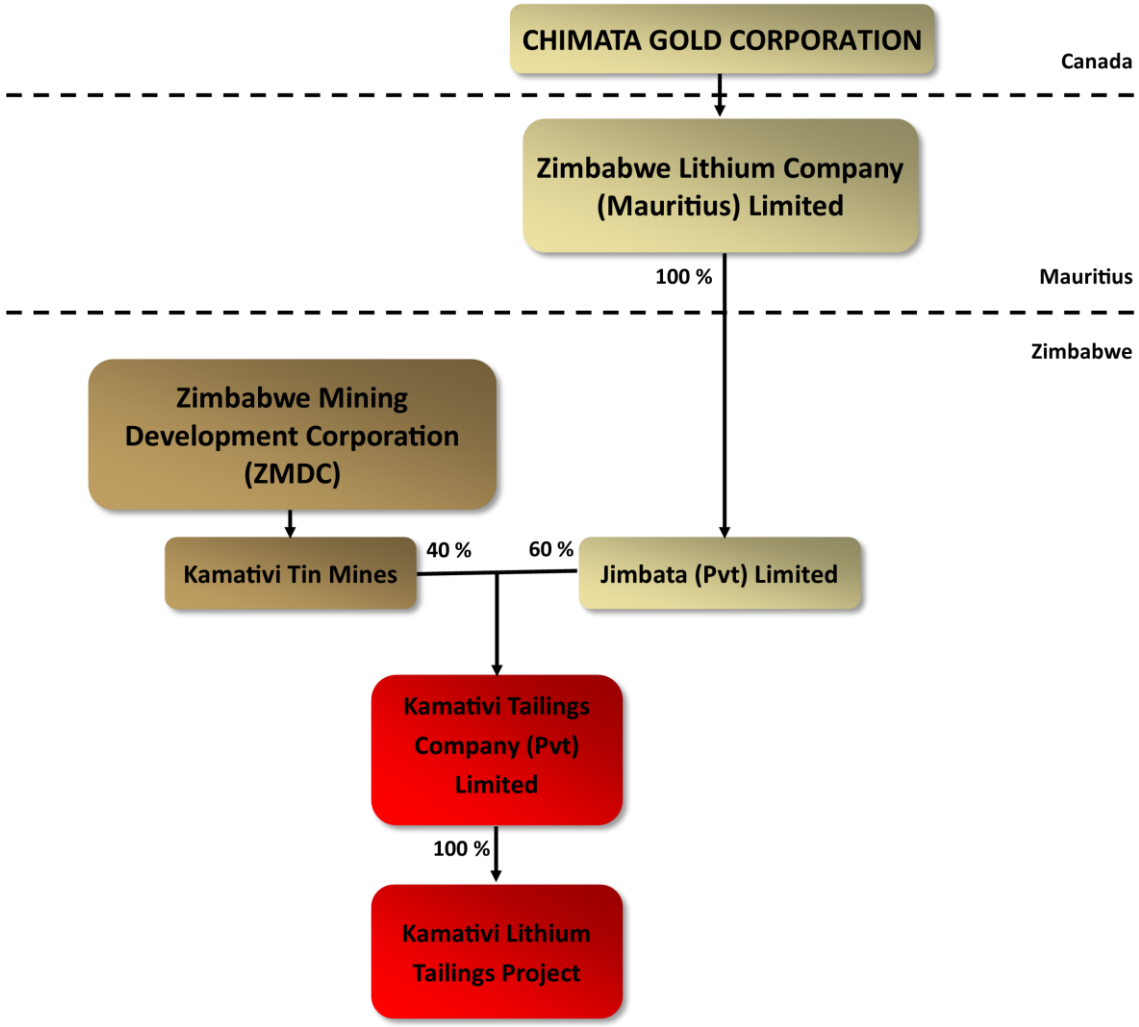
In terms of the JV Agreement, Jimbata are due to pay ZMDC the first option payment on signing of the JV agreement and ZMDC's transfer of the mineral title to Kamativi Tailings Company (Pvt) Limited. A second option payment will be paid six (6) months after the signing of the JV Agreement and then a third payment nine (9) months after signing the JV agreement.

The JV Agreement between ZMDC and Jimbata allows for Kamativi Tailings Company (Pvt) Limited to undertake a full Feasibility Study on the tailings material and, should the Feasibility Study have a positive outcome, allows for the construction of a concentrator plant to beneficiate the tailings material, producing a lithium concentrate and any other viable by-products that may be able to be produced. This JV Agreement is for the life of dump and is anticipated to be completed over a 10-year period.

Copies of all agreements and documentation related to the ownership of the Project, and the terms of these agreements are appended in Appendices 2 to 10 .

The ownership structure of the Project is shown in Figure 4-4.

Figure 4-4
Project ownership structure



4.3 Environmental Liabilities

MSA is not aware of any special environmental restrictions or liabilities related to the Project. In terms of the JV agreement, Jimbata will not be liable for any historical environmental liabilities.

4.4 Major Risks

According to the 2017 RiskMap published by Control Risks, Zimbabwe is classified as having a high political risk factor and a medium security risk factor.

Kamativi Tailings Company (Pvt) Limited will be applying for Special Economic Zone status which will provide various investor and ownership protection instruments. Special Economic Zones Act (Chapter 14-34) is an act to provide for the establishment of the Zimbabwe Special Economic Zones Authority whose functions will be to provide for the establishment of special economic zones, the administration, control, regulatory measures and incentives in connection there with. The proposed incentives for investors include exemption on certain taxes, royalties and dividends and tax holidays on capital equipment. Every licensed investor carrying on an approved activity within a special economic zone may, subject to any approval required under the Exchange Control Act (Chapter 22-05) operate a foreign currency account with any banking institution. In addition, the Indigenous and an Economic Empowerment Act (Chapter 14-33) shall not apply in relation to licensed investors operating in a special economic zone

It is the intention of Jimbata to obtain licensed investor status and have the Project designated as a special economic zone thereby providing the protection regarding various risk factors.

5 ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY

5.1 Introduction

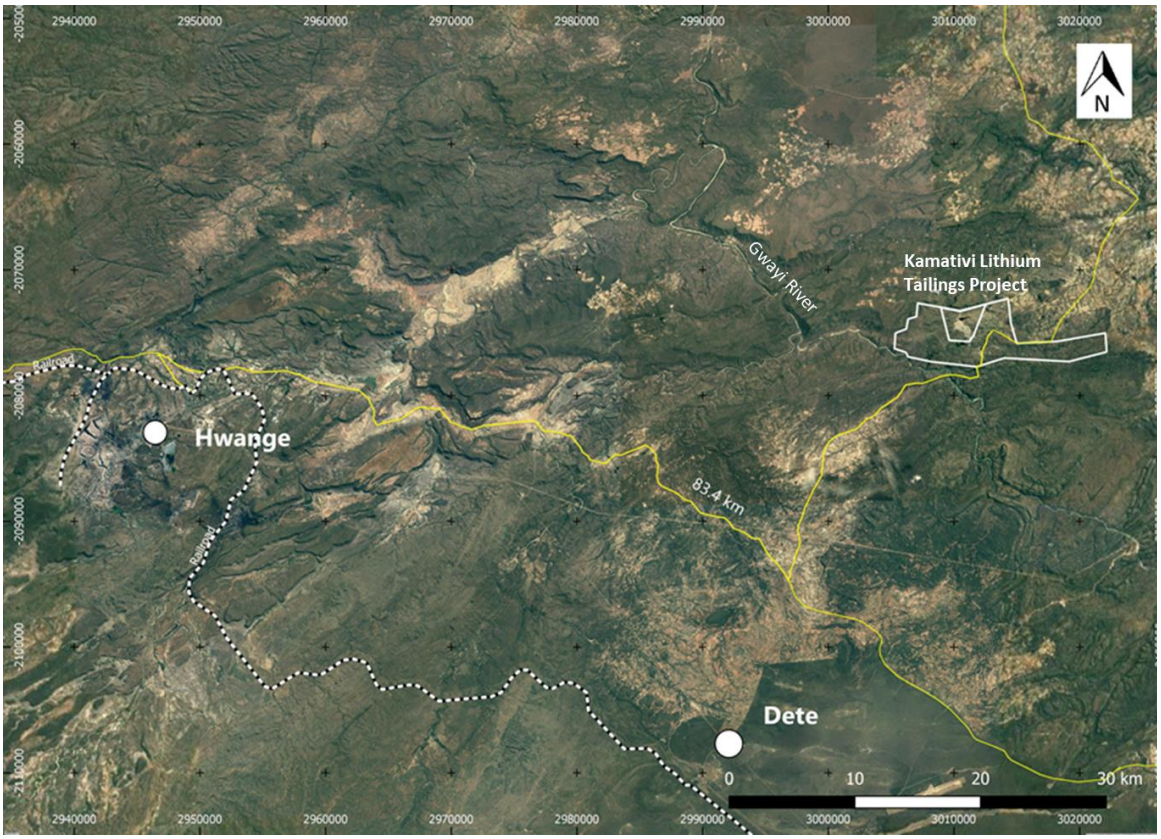
An understanding of the local climate, physiography and existing infrastructure and their effects on the socio-economic status of the community and the processing operation as a whole is essential to the future success of the Project. Information presented in this section of the document is sourced from the literature and data gathered from an initial site visit completed by MS Montan Services UG and Green Resources Company (Pvt) Ltd. towards the end of August 2016.

5.2 Accessibility

The Kamativi Lithium Tailings Project is located outside the village of Kamativi in Matabeleland North Province, Zimbabwe. Access to the Project area from the town of Hwange is via an approximately 84 km all-weather tar road, travelling along the tarred A8 in an east-southeast direction from Hwange before turning onto the Kamativi road at the A8-Dete-Kamativi crossroads and travelling northeast for approximately 30 km to the Kamativi mine.

The proposed route from Hwange is shown in Figure 5-1 and the slightly longer route from Victoria Falls to Kamativi is shown in Figure 4-1. The village of Kamativi is accessible via an unpaved road from the mine.

Figure 5-1
Locality map of the Kamativi Project showing main road and rail access routes



Note: *Background map sourced from Google Earth (2018)*

5.3 Climate and Physiography

The Project area is covered by a combination of grassland, scrub and woodland areas restricted to the river valley and hills (Figure 5-2). The climate in the region is classified as a hot semi-arid climate (BSh) according the Köppen and Geiger classification which is characterized by extremely variable temperature ranges and relatively little precipitation.

The average temperature for the year in Kamativi is 22.3 °C. The warmest month, on average, is October with an average temperature of 26.1 °C. The coolest month on average is June, with an average temperature of 16.6 °C.

Most of the rain falls between November and March and the average annual precipitation is 635 mm. The month with the most precipitation on average is January with 175 mm of precipitation. The months with the least precipitation on average are July and August with an average of 0 mm. There is an average of 69.3 days of precipitation, with the most precipitation occurring in January with 15.1 days and the driest months being June and July little to no precipitation falls.

The warmest month with an average temperature of 26.5 °C is October and June is the coldest month, with an average temperature is 16.4 °C (https://en.climate-data.org/location/772745/).

Figure 5-2
The typical topography and vegetation of the Property

The topography of the Property is undulating with prominent ridges and hills which comprise more competent and resistant rocks (Figure 5-2). The general drainage network is dominated by small, ephemeral rivers that flow only when it rains and larger non-perennial rivers like the Kamativi River which flows through the Property (east to west). The Kamativi flows into the Gwayi River to the southwest of the Property. The Kamativi River is dammed to form the Kamativi Dam, located to the south of the tailings dump, straddling the southern boundary of the Tailings licence area and the Gwayi River (Figure 4-3 and Figure 5-1).

A visit to the tailings deposit itself showed a sandy substrate with a grain size of estimated 0 – 1000 micron in size. As a result of 20 years of renaturation a meagre grass cover had developed on the sandy ground, together with some shrubs and small trees. The vegetation cover is shown in Figure 5-2 and Figure 5-3.

Figure 5-3
Vegetation on the Tailings Dam after 20 years of revegetation

5.4 Local Resources and Infrastructure

5.4.1 Amenities

The village of Kamativi is located within ML No. 12 and has a population of between 1,500 and 6,000 (http://travelingluck.com/Africa/Zimbabwe/Zimbabwe+(general)/_889390_Kamativi.html), depending on the information source. The community is served by tuck shops which stock basic groceries. Prior to the closure of Kamativi Mine in 1994, ZMDC operated a large supermarket. The vast majority of supplies will have to be sourced from larger towns and/or cities within the region such as Hwange and Victoria Falls (Figure 4-1 and Figure 5-1), with more specialised items being procured from larger cities such as Bulawayo and Harare.

Residents of Kamativi receive medical treatment at the local Kamativi Mission Hospital which is administered by the Hwange Roman Catholic Diocese. The hospital is staffed by qualified medical personnel. In addition to primary care facilities, the hospital includes a maternity wing and a mortuary. The hospital has the capacity to look after the medical needs of a large community.

Historically, ZMDC owned 571 houses which it has now given to the Hwange Rural District Council to administer. Kamativi Tailings Company (Pvt) Limited will need to consult and negotiate with the Hwange Rural District Council regarding the availability of and right to use the housing. The housing comprises:

- 84 low-density units with three or four bedrooms;
- 24 medium-density units with two bedrooms;
- 463 high-density units; and
- 212 one-roomed single quarters.

The existing sewage plant is not operational and is in need of rehabilitation. As a result, it poses a health hazard to the high- and medium-density suburbs that used to rely on it. The low-density suburbs use septic tanks.

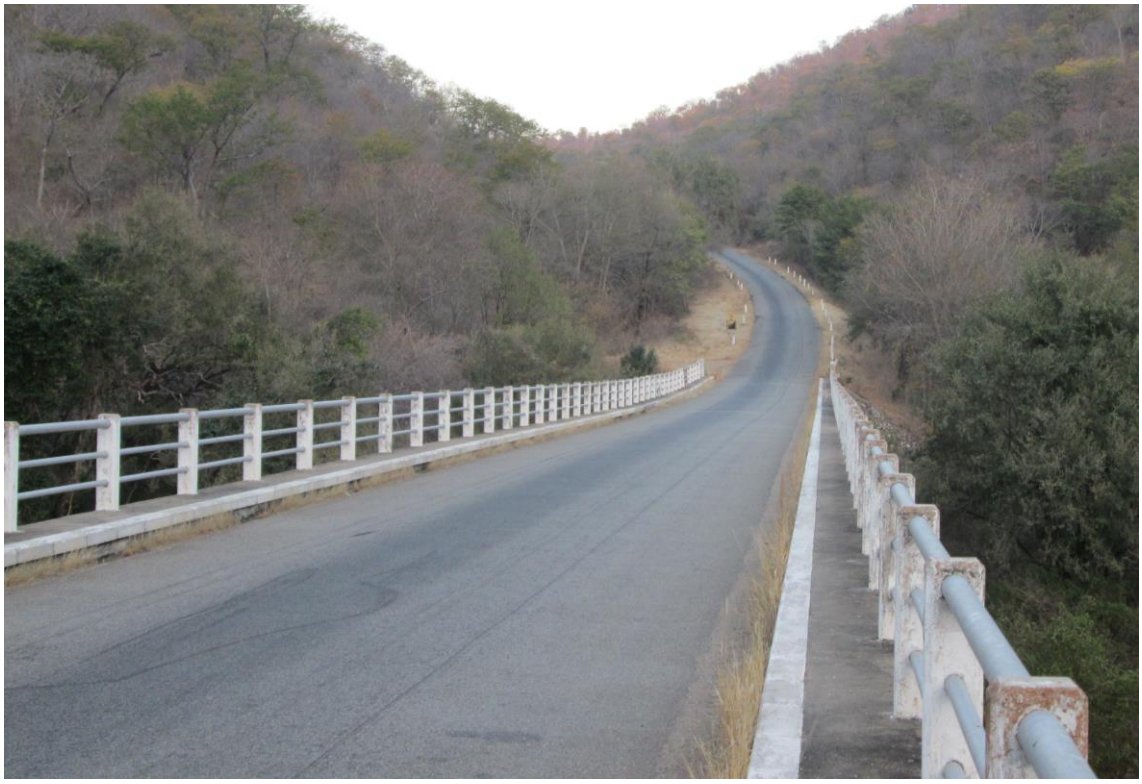
The Matabeleland North region supports dryland ranching and game-farming as principal agricultural activities. Due to the low rainfall and poor soil in the region, commercial crop farming is not possible and rural farmers often struggle to support their families.

The region is readily accessible via a well-maintained road, rail and air transportation network.

5.4.2 Transport infrastructure

The Project is located approximately 60 km east of Hwange (in a straight line) and accessed via the tarred A8 road for about 55 km in an east-southeast direction and then in a northeasterly direction for approximately 30 km along a secondary tarred road (Figure 5-1 and Figure 5-4).

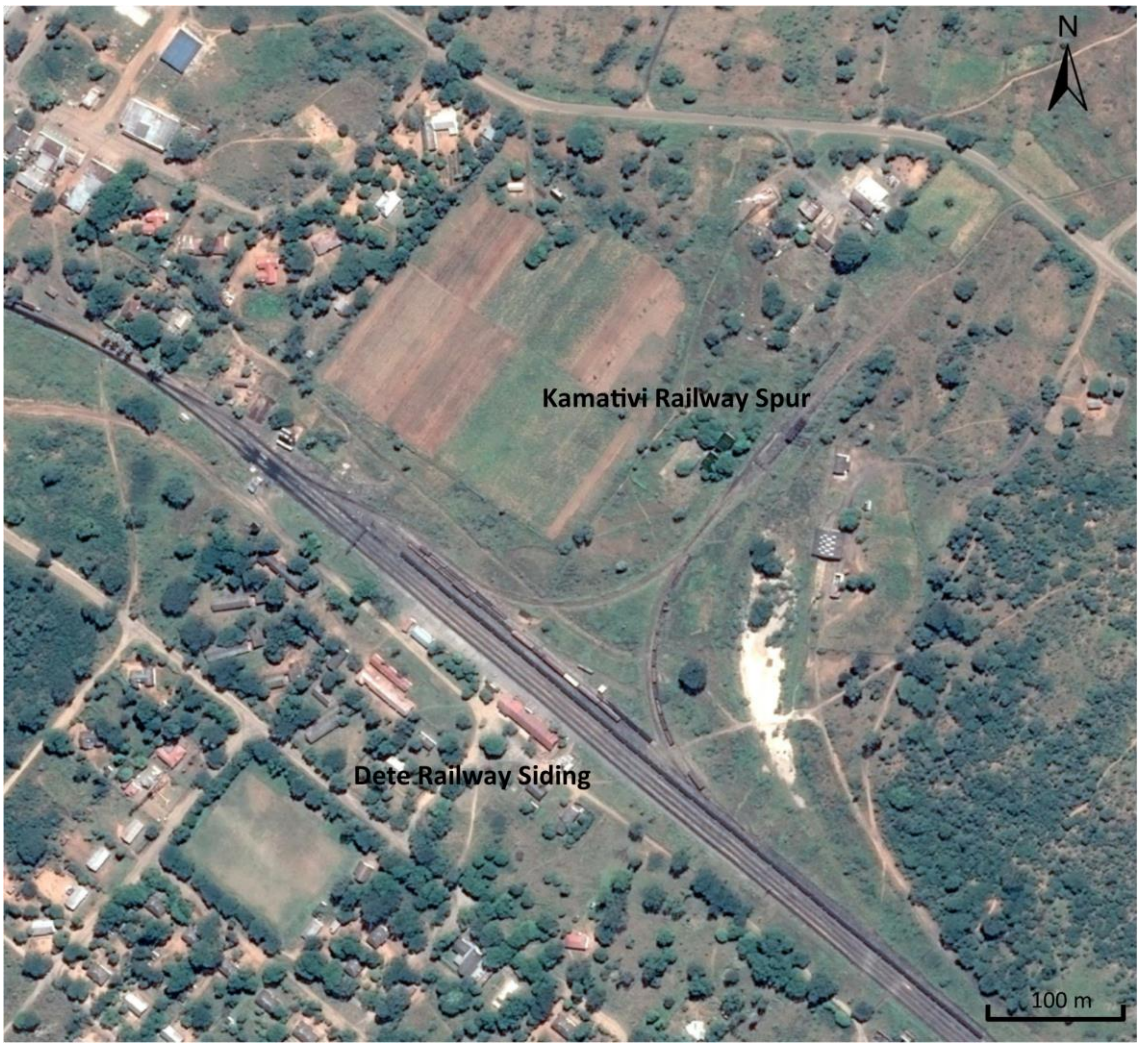
Figure 5-4
Tarred road from the A8-Dete-Kamativi crossroads to Kamativi



The closest railhead, which is need of repair, is located at the town of Dete (Figure 5-5), approximately 45 km southwest of the Project area, via a tarred road. The railhead is located on the Bulawayo-Hwange-Victoria Falls railway line which is operational and serves the Hwange coal

fields. The Dete siding has a dedicated spur that previously served the district and the Kamativi mine.

Figure 5-5
Aerial image of the Dete railway siding



Source: *Image sourced from Google Earth – Image © 2018 CNES / Airbus (2018)*

The closest international airports to the Project are situated in Bulawayo (IATA Code - BUQ) and Victoria Falls (IATA Code - VFA) (Figure 5-6) and are serviced by South African Airways, British Airways, Air Zimbabwe and other regional airlines. Suitable hotels and lodge accommodation exist with easy access to the mine. Medical facilities are available in Hwange, Bulawayo and Victoria Falls. The Hwange National Park is also serviced by a domestic airport with a blacktop runway and is 50 km from the Project.

The domestic airport is 5 km away from the Hwange Safari Lodge, an upmarket tourist destination serviced by the Legacy Group of Hotels. Various other lodges in the area support tourism.

Figure 5-6
Photograph of the Victoria Falls International airport

5.4.3 Power Infrastructure

The old Kamativi mine and village is fed by a 33 KV overhead powerline from Hwange. A 33/11 KV substation (Figure 4-3 and Figure 5-7) is located near to the old Kamativi processing plant with a single 2,000 kVA 33/11 KV transformer installed (Figure 5-8). The transformer has a 2,200V tertiary winding which appears not to be connected. This substation is equipped to supply two transformers, one of which has been removed. Reticulation around the site includes five 11 KV overhead lines with separate transformers and meters.

Figure 5-7
Kamativi Mine substation

Figure 5-8
Kamativi Mine transformer

5.4.4 Water

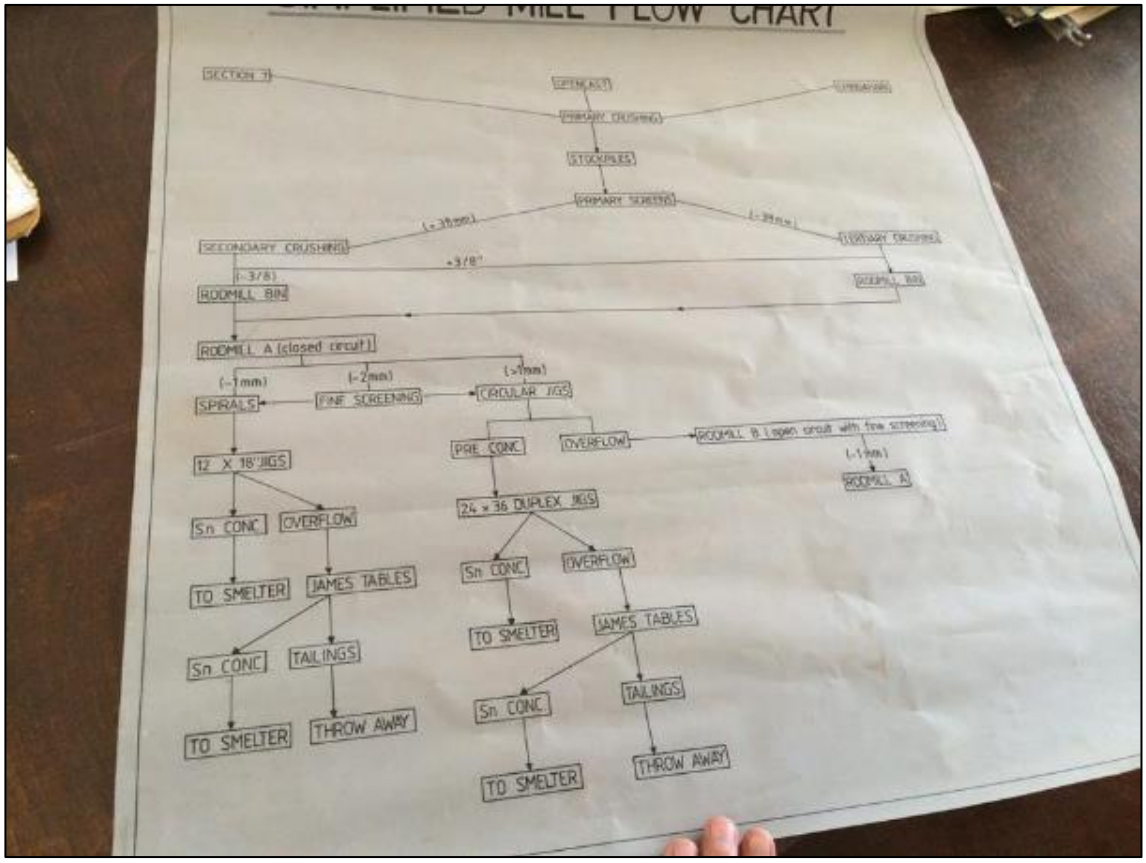
Water for household use is untreated and pumped from the Kamativi dam and three boreholes in the area, the boreholes each sourcing water from a depth of approximately 100 m. One borehole is exclusively for the supply of water to the clinic. The remaining two boreholes supply water to the majority of the population. Both these boreholes are known to be contaminated and residents are forced to boil or chemically treat the water. Due to the Hwange Rural District Council's lack of funds, the water cannot be treated and consequently the residents are prone to contracting waterborne diseases, commonly diarrhoea, dysentery and cholera. It was reported that no water sewage system is in place. The sewage is reported to be led into the Kamativi Dam.

Historically, the Kamativi mining operation obtained its water for processing from the Kamativi dam (Figure 4-3) situated, south of the mining town and built on the Kamativi River. Water from

the Kamativi dam was supplemented with water from the Gwayi River (to the southwest of the Property), sourced from a weir built midway between the old and new bridges that span that river. There is evidence in the field of the eye bolts and concrete foundations which used to secure the pumps and pipework. The 33 kV power line crosses the river at this point too and could be used (and probably was used when the mine was in operation) to supply power to the pump if this water is required for the proposed operations. A backup power supply should also be considered if necessary.

The processing for the historical tin extraction exclusively used gravity separation. The Flow Chart presented by the ZMDC representative at site, as shown in Figure 5-9, does not indicate any risk of chemical hazards. However local newspapers report a high level of chemical contamination of the water in a nearby dam; "One of the dams - once an open cast site - was reportedly condemned by the Ministry of Health and Child Care a few years ago because its water is contaminated with mining chemicals." This still needs to be independently verified.

Figure 5-9
Kamativi Tin Processing Flow Chart



Samples which had been taken earlier from the tailings dam indicated background naturally occurring radioactive materials ("NORM") including traces of Uranium (U) (average 12,0 ppm) and Thorium (Th) (average 2,28 ppm). Studies indicate that the NORM levels at Kamativi are lower than for any other pegmatite areas, not only in Zimbabwe but globally. This low radiation level will be verified in the Social and Environmental Impact Assessment ("SEIA") study. Monazite is only

mineral containing any radioactive elements (i.e. Th and U) according to the Mindat (www.mindat.com) list of minerals found in the Kamativi mine. Monazite is considered a resistate, inert mineral and not water soluble, and is thus not considered a potential environmental hazard or source of the supposed water contamination.

5.4.5 Processing and Waste Disposal Sites

The Project covers an area of 613 hectares and should have sufficient space for processing and waste disposal sites but will need to be confirmed through future work.

5.5 Human Resources

The Kamativi Tin Mine was the main source of employment in the area and on its closure in 1994, most of the skilled personnel left the area. Currently the only employment at Kamativi is provided by the ZMDC, for staff responsible for the administration and the care and maintenance. It is expected that labour will be drawn from the existing village population, supplemented by skilled and management personnel from the Hwange region where there are a number of operational coal mines and processing facilities.

In addition, wildlife tourism (based around the Hwange National Park to the west of the Project, other smaller nature reserves and Victoria Falls to the north-west) is a significant source of employment in the region.

There is a primary school in the area, which was previously funded by ZMDC and is now funded by the local Parents Association, as well as the St Teresa Primary School, which is owned by the Roman Catholic Church. There is a single ZMDC funded secondary school in the area for approximately 300 pupils. It is a day school with many of its pupils coming from areas beyond Kamativi.

There are no active tertiary education facilities (colleges or universities) within the immediate vicinity of Kamativi. The closest it the newly built university at Lupane, approximately 180 km away, which has not yet commenced enrolment or studies. Bulawayo has the Zimbabwe School of Mines and the New University of Science and Technology ("NUST") which is normally a potential source of technical graduates.

6 HISTORY

6.1 Discovery, Historical Exploration Work and Mining History

The first reports of tin in the region date back to about 1920. The first claims were pegged in 1935. Production of cassiterite concentrates from alluvial deposits and surface rubble commenced in 1936. The history of mine ownership is summarised below and sourced from (Anon, (1963), Anon (1996) and http://www.portergeo.com.au/database/mineinfo.asp?mineid=mn1537):

- **1920–1935:** Reports of tin occurrence in region and first pegging's of claims by Mr R. H. Aldworth in 1935;
- **1936-1944:** First production declared by Mr R. H. Aldworth in partnership with Mr S. Sauerman who commenced hydro-sluicing and panning of the surface rubble and alluvial deposits;
- **1939-1949** (including the Second World War): Production increased when various small mills were erected and a smelter built in Bulawayo. After the war, tributors under the Government Ex-Serviceman Rehabilitation Scheme, worked the claims on selective underground mining;
- **1949-1951**: Rhodoak Limited set up the first Kamativi Tin Mines Limited with a capital investment of £ 200,000;
- **1951:** Oakes Trust acquired Kamativi Tin Mines Limited;
- **1952:** N.V. Billiton Maatschappij, a Dutch Naamloze Vennootschap ("N.V.") or public company, assumed financial and technical control and increased the authorised capital to £ 700,000 and later to £ 3,000,000. They installed a 400 tonne per day ("tpd") pilot plant, together with an oil-fired drum-type rotary smelter. By 1964 they were processing an average 42,000 tonnes of ore per month. The professional co-operation brought about contact with Billiton's Tin Smelter at Arnhem, Netherlands where their metallurgists and chemists in "modern laboratories" assisted in extending production of the smelter to other products, i.e. tin solder and bearing metals;
- **1970–1986:** Industrial Development Corporation of Zimbabwe ("IDC") acquired a controlling interest and ultimately the entire Billiton Shareholding. Mill capacity increased to 2,000 tpd, producing 950 tonnes of refined tin and alloys per year and approximately 23 tonnes of tantalite (Ta_2O_5) in slags. The plants processing capacity increased from 56,000 tonnes per month ("tpm") to 80,000 tpm during this period:
    - by 1977 approximately 12 Mt of mineralised material had been mined and by 1982 the annual production was approximately 1,270 t of tin metal per annum, along with 32 t of tantalite contained within the smelter slags (which graded at 7-9 % Ta_2O_5); and
- **1986-1994:** The IDC transferred its interest of 91.3 % in Kamativi Tin Mines Limited to Zimbabwe Mining Development Corporation ("ZMDC"). During this period, the economic reserves became depleted and tin production decreased to 1,060 t in 1991 and 800 t in 1993. In 1994 the mine closed down due to low tin prices, following the tin price crash of 1985, coupled with falling ore grades.

Historical production figures from Begg (2008) indicate that the mine produced a total of 37,000 t of tin and 3,000 t of tantalite from 27 Mt of mineralised material. Begg (2008) also lists the production figures for the period 1984-1992 as summarised in Table 6-1.

Table 6-1
Summary of tin production from 1984 to1992

Year	Tonnes milled per annum	Feed/head grade (% Sn)
1984-88	(Ave) 962,063	0.146
1989	897,547	0.119
1990	985,489	0.116
1991	1,000,740	0.108
1992	1,156,810	0.089

Source: *Begg (2008)*

Historical Reserve estimates quoted by Begg (2008) could not be verified. The most recent historical estimate was prepared in 1994 and is summarised in Table 6-2.

Table 6-2
Summary of the 1994 historical estimate for underground and opencast workings

	Category	Tonnes	Sn grade (%)
Underground	Proven	1,915,000	0.189
	Probable	6,194,000	0.168
	Possible	15,202,000	0.177
	Reclamation	397,000	0.198
	Total	**23,708,000**	**0.176**
Opencast	Probable	2,300,000	0.189
	Possible	2,135,000	0.202
	Total	**4,435,000**	**0.195**
GRAND TOTAL		**28,143,000**	**0.179**

Source: *Begg (2008)*

6.2 Historical Mining and Processing Methods

Most of the plant feed (approximately 70 %) was supplied by the opencast workings. Waste stripping was done by bulldozers and supplemented with blasting when required. Broken mineralised material was loaded by mechanical shovel and transported by truck trucks to the mill and gravity processing plant (Anon., 1963).

The remaining 30 % of the plant feed was supplemented by underground mining that was established on the relatively narrow tin mineralised pegmatite bodies with stoping widths of ~3 m (up to 10 feet) and dips of 12° - 23°. Operations were conducted from shallow vertical and incline shafts, from levels spaced 30 m vertically. The mineralised material was blocked out by conventional development on reef, with raised connections at 100 m intervals on strike, depending on the tin grade (Anon., 1963).

Cassiterite was recovered from the mineralised material by gravity concentration after crushing. The mined material was mixed at the primary gyratory crusher which was set to give a 100 mm product and fed onto a 4,000 t open stockpile.

Secondary jaw crushers reduced the feed to 25 mm. This was followed by tertiary crushing using cone crushers and rod mills in closed-circuit with double deck screens giving a feed product of -2 mm. The cassiterite recovered from the separation screens was comprised two size fractions i.e., -2 mm to +1 mm and -1 mm, which were then treated in separate circuits. Historic recovery of the cassiterite was >75 % (Begg, 2008; Anon., 1963).

The mill concentrates, prior to smelting, were treated through magnetic separators to recover Ta/Nb pentoxides. The non-magnetic product was then smelted in an oil fired rotary furnace. The crude tin produced from the furnace was further refined in 10 t coke fired kettles and cast into ingots. The tin produced at Kamativi averaged 99.95 % pure which, at the time, was considered to be of an extremely high standard. In addition, a full range of solders and white bearing metals were manufactured and sold (Anon., 1963).

6.3 Historical Work on the Kamativi Tailings

The following summary relies on the information contained in the report by the United Nations Industrial Development Organization ("UNIDO") (UNIDO, 1983) which looked at the production of lithium chemicals in Zimbabwe. The UNIDO report (1982), makes reference to a report titled: "Pre-feasibility study for producing Lithium Chemical from Kamativi ores" (prepared for the Industrial Development Corporation of Zimbabwe Limited, May 1981). The UNIDO (1983) report provides a summary of the results of chemical and mineralogical analyses (conducted in 1981) conducted on a composite sample of approximately 160 kg (360 lb) of dump material. The results are presented in Table 6-4 and Table 6-5. Sinclair (1996) reports a grade of 0.603% Li_2O.The UNIDO (1983) report provides a historical estimate of the size of the dumps (as of July 1980), the results of which are summarised in Table 6-3. The historical grade-tonnage estimate was based on a combination of sampling and limited drilling, however there are no detailed accounts of the drilling and sampling programmes that informed the historical estimate.

Table 6-3
Summary of the historical estimate for the lithium content of the tailings dump

	Tonnes	% Li_2O	Tonnes Li_2O	Tonnes LCE*
Grand Total	14,409,183	0.51	73,142	180,880 [(1)]

Note: ** LCE – Lithium Carbonate Equivalent*
[1] UNIDO (1983) indicates 160,904 t LCE but is an error as conversion to LCE (t) = Li_2O (t) x 2.473
Source: *UNIDO (1983)*

Based on the production figures presented in Section 6.1, these dumps were added to at a rate of approximately 0.9 Mt to 1.0 Mt per annum from 1984 until the mine closed in 1994.

Table 6-4
Summary of the chemical analysis of the main tailings dump

Element	Assay value (%)
Li_2O	0.70
Fe_2O_3	0.54
K_2O	2.52
Na_2O	5.12
Al_2O_3	15.17
SiO_2	72.7
MgO	0.51
LOI	1.21

Source: *UNIDO (1983)*

Table 6-5
Summary of the mineralogical analysis of the main tailings dump

Mineral	Assay value (%)
Muscovite	10.8
Spodumene	10.8
Sodium Feldspar	43.4
Potassium Feldspar	7.3
Quartz and other minerals	27.7

Source: *UNIDO (1983)*

7 GEOLOGICAL SETTING AND MINERALISATION

7.1 Source of the Tailings

The historic Kamativi tailings dump (Figure 7-1) is a man-made deposit that was generated as a site for the containment of tailings produced during the processing of tin mineralisation at the Kamativi Tin Mine, most recently owned by the ZMDC.

The Kamativi tailings were deposited over the period 1936 to 1994 and are derived from the mining and processing of the mineralised tin-bearing pegmatites.

7.2 Lithology and Mineralogy

The mineralisation of interest is contained in the dumps derived from the mining of the complex spodumene-bearing LCT pegmatites (ML No. 12 – Kamativi Mine). A summary of the main lithium minerals commonly associated with pegmatite hosted lithium deposits is presented in Table 7-1.

At Kamativi, spodumene is the main lithium mineral present with lesser amounts of cookeite, zinnwaldite, petalite and amblygonite (UNIDO, 1983). Historical estimates of the size and lithium content of the tailings dump (Table 6-5) indicate that there is lithium mineralisation of potential economic interest. Figure 4-3 shows the location of the tailings dump at the old Kamativi Tin Mine.

Table 7-1
Chemical composition and density of the main lithium minerals associated with pegmatites

Mineral	Chemical composition	Maximum* Lithium % (calculated)	Maximum* Li_2O % (calculated)	Density range (average)
Spodumene	$LiAl(Si_2O_6)$	3.7	8.0	3.15
Cookeite	$LiAl_4(Si_3Al)O_{10}(OH)_8$	1.33	2.86	2.67
Zinnwaldite	$K(Al,Fe,Li)_3(Si,Al)_4O_{10}(OH)F$	1.59	3.42	2.9-3.1 (3.0)
Petalite	$LiAl(Si_4O_{10})$	1.6-2.27	3.4-4.9	2.39-2.46 (2.42)
Amblygonite	$LiAl(PO_4)(F,OH)$	3.4-4.7	7.3-10.1	3.0
Lepidolite	$K_2(Li,Al)_{5-6}(Si_{6-7}Al_{2-1}O_{20})(OH,F)_4$	1.39-3.6	3-7.9	2.8-2.9 (2.84)
Eucrypite	$LiAl(SiO_4)$	2.1-5.5	4.5-11.8	2.67
Lithiophilite	$LiMnPO_4$	4.4	9.53	3.34

Note: * Note that the actual lithium content of the minerals may be lower and the numbers presented represent maximum theoretical lithium content.
Conversion factor from Li % to Li_2O % = Li % x 2.153

Source: *www.webmineral.com and BGS (2016)*

The pegmatites at Kamativi form part of a larger regional pegmatite belt within the Dete-Kamativi Inlier (Senzani, 1992) and are hosted in the supracrustal gneisses and schists of the Kamativi Schist Belt that form part of the Palaeoproterozoic Magondi Belt. The Magondi Belt comprises a dominantly metasedimentary succession with minor mafic, intermediate to felsic metavolcanics (Master, 1991) that was deposited between 2.1-2.0 Ga (Master, 1991) and has metamorphic ages of between 2.0-1.8 Ga (Master *et al.*, 2013). The Dete-Kamativi inlier is the western extension of

the Magondi Belt exposed through younger Phanerozoic cover. The inlier comprises granodioritic orthogneisses, granites and highly deformed and metamorphosed supracrustal sequences that are divided in four northeast-southwest tectonostratigraphic belts. The four belts are known as the Kamativi, Tshontanda, Inyantue and Malaputese and overlie and are surrounded by the orthogneisses (Master, 1991; Senzani, 1992). The pegmatites have been dated at between 1026-925 Ma (Melcher *et al.*, 2013).

The pegmatites that were mined at the Kamativi Tin Mine are unzoned (Kinnaird *et al.*, 2016) bodies ranging from <1 m to >30 m wide and frequently bifurcate and pinch out along strike. Two types of pegmatite are recognised namely:

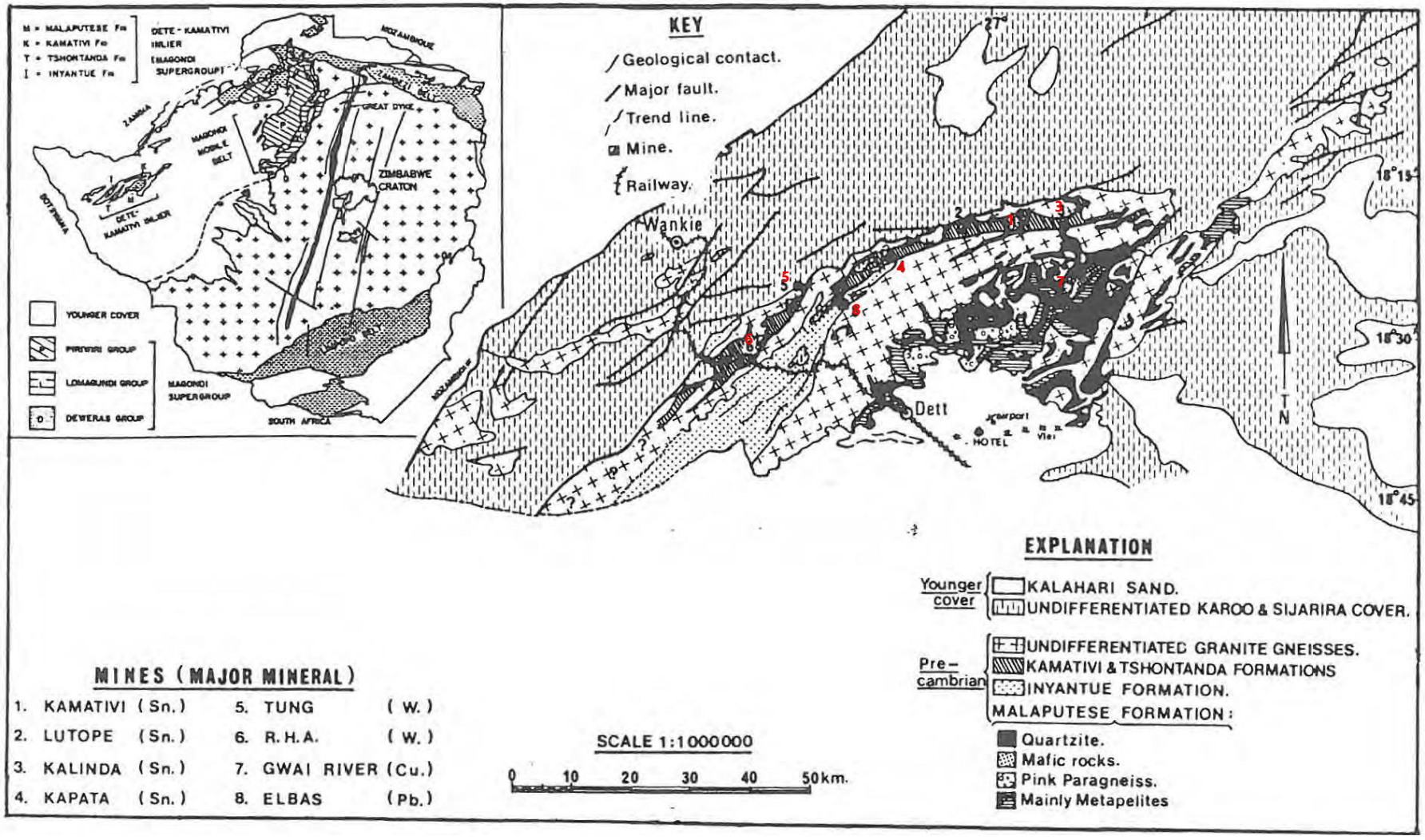
- stacks of thicker (up to 30 m+) inverted saucer shaped bodies and dips of between 20°-50° and have been traced for up to 2 km. These pegmatites occur within domal or anticlinal structures and are thickest in the centre of the domes/anticlines and thin outwards. The schist partings between the pegmatites may be up to 100 m thick. The pegmatite has been mined along a strike length of 800 m and to a depth of 270 m (Kinnaird *et al.*, 2016); and
- as discordant, foliation parallel dykes with dips of >70° and widths up to 8 m. These thinner pegmatite dykes occur less frequently and considered to be the feeders to the larger more common flat lying pegmatites (Senzani, 1992; Begg, 2008).

The pegmatite-schist contacts comprise a 10 cm thick wall-rock alteration zone comprising tourmaline, quartz and depleted in feldspar. The pegmatites are albitised and contain tin (in the form of cassiterite), lithium (in the form of spodumene and a variety of other lithium minerals) and tantalum/niobium (tantalite-columbite minerals) mineralisation (Senzani, 1992). The tin mineralisation occurs as cassiterite patches within the thinner pegmatite dykes and in the thicker flatter pegmatites it is more evenly disseminated with higher grade patches within individual pegmatites. The thicker (>4 m) pegmatites contain the lithium minerals, mainly spodumene which constitute up to 15% of the pegmatite composition. Average grades range from 0.65-0.75 % Li_2O and the spodumene contains 7 % Li_2O and <0.5 % Fe (Begg, 2008).

Wolframite is also reported to occur in small amounts in thin veins and stockworks of milky-grey quartz with minor tourmaline (Senzani, 1992).

Figure 7-1

Geological map of the Dete-Kamativi inlier.



Source: *Senzani (1992)*

8 DEPOSIT TYPES

The Kamativi tailings dump is a man-made deposit generated for the containment of tailings produced during the processing of the pegmatite-hosted tin ore at the Kamativi Tin Mine. The mined pegmatite material contains spodumene that was not recovered during the processing and is the lithium-bearing mineral of interest in this deposit.

The production history and records of tonnages and grades of the tin mineralisation mined as discussed in Section 6.

In order to understand the mineralogical composition of the tailings it is important that some background on the primary source of the lithium mineralisation is provided.

A pegmatite is defined as "an essentially igneous rock, commonly of granitic composition, that is distinguished from other igneous rocks by its extremely coarse but variable grain size or by an abundance of crystals with skeletal, graphic, or other strongly directional growth habits. Pegmatites occur as sharply bounded homogenous to zoned bodies within igneous or metamorphic host rocks." (London, 2008).

The main rock forming minerals in a granitic pegmatite include feldspar, mica (muscovite and biotite) and feldspar. Other minerals may occur in economic concentrations and include, but not limited, to various lithium minerals (Table 7-1), beryl, tourmaline, cassiterite, coltan, topaz, garnet and various rare-earth minerals.

Pegmatites are classified on the basis of a number of geological, textural, mineralogical and geochemical parameters and the accepted classification scheme. Pegmatites are broadly classified as either simple/common or complex based on the presence or absence of internal zonation. Simple/common pegmatites are unzoned, poorly fractionated and thus usually unmineralised. Complex pegmatites often contain potentially economic concentrations of mineral/elements (including Li, Ta, Nb, Sn, Be, REE) and their classification is based on a fourfold classification (Table 8-1) comprising:

- five classes namely abyssal, muscovite, muscovite-rare-element, rare-element and miarolitic classes, based predominantly on mineralogical and textural characteristics, the pressure and temperature conditions of pegmatite formation, and to a limited degree, the metamorphic grade of their host rocks; and
- the **classes** are further subdivided into **subclasses**, **types** and **subtypes** on the basis of geochemistry, mineral chemistry and mineral assemblages.

Further to the classification three broad pegmatite families are recognised based pegmatite classes to other petrological, paragenetic and geochemical data:

- **L**ithium-**C**aesium-**T**antalum (LCT);
- **N**iobium-**Y**ttrium-**F**luorine (NYF); and
- mixed LCT – NYF families.

Table 8-1
Pegmatite classification scheme of Černy and Ercit (2005) to illustrate the correlation between pegmatite classes and families

Class	Subclass	Type	Subtype	Family
Abyssal	HREE	-	-	NYF
	LREE	-	-	
	U	-	-	NYF
	BBe	-	-	LCT
Muscovite		-	-	
Muscovite-rare element	REE	-	-	NYF
	Li	-	-	LCT
Rare element	REE	allanite-monazite euxenite gadolinite	-	NYF
	Li	beryl	beryl-columbite beryl-columbite-phosphate	LCT
		complex	**spodumene** petalite lepidolite elbaite amblygonite	
		albite **albite-spodumene**	-	
Miarolitic	REE	topaz-beryl gadolinite-fergusonite	-	NYF
	Li	beryl-topaz spodumene petalite lepidolite	-	LCT

Note: *LCT = Lithium-Caesium-Tantalum; NYF = Niobium-Yttrium-Fluorine; see text for explanation*

It should be noted that pegmatites often occur as a combination/hybrid of the subtypes listed but with one or two of the minerals dominating over the other(s).

The Kamativi Pegmatites belong to the LCT family of pegmatites and can be classified as an unzoned Albite-Spodumene type and spodumene subtype of Complex type (Table 8-1), lithium subclass, rare-element class pegmatites (Černy and Ercit, 2005).

Rare-element pegmatites are often intruded into metamorphic rocks where the peak metamorphic conditions attained are upper greenschist to amphibolite facies (London, 2008) and have temporal and spatial associations with granitic plutons. Most pegmatites occur in swarms or pegmatite fields and occupies areas ranging from tens to hundreds of square kilometres; they may be associated with a discrete granite source around which they are systematically distributed, from the least fractionated granite to the most highly evolved pegmatites are the greatest distance from the granite source (London, 2008; Ercit, 2005); however, this is not always the case. With increasing fractionation, there is also often an increase in the complexity of the internal

pegmatite zonation. The most highly evolved distal pegmatites are usually the most complexly zoned and associated with potentially economic concentrations of the elements and associated minerals identified above.

Pegmatites may vary from a few metres to hundreds of metres in length with variable widths ranging from <1 m to tens of metres wide and may have simple to complex internal structure. Cameron *et al.* (1949) identified up to nine different in internal units within a pegmatite based on differences in mineral assemblage, modes and textures which may or may not be present and/or continuous in a given pegmatite. These are summarised as follows (see also Figure 8-1):

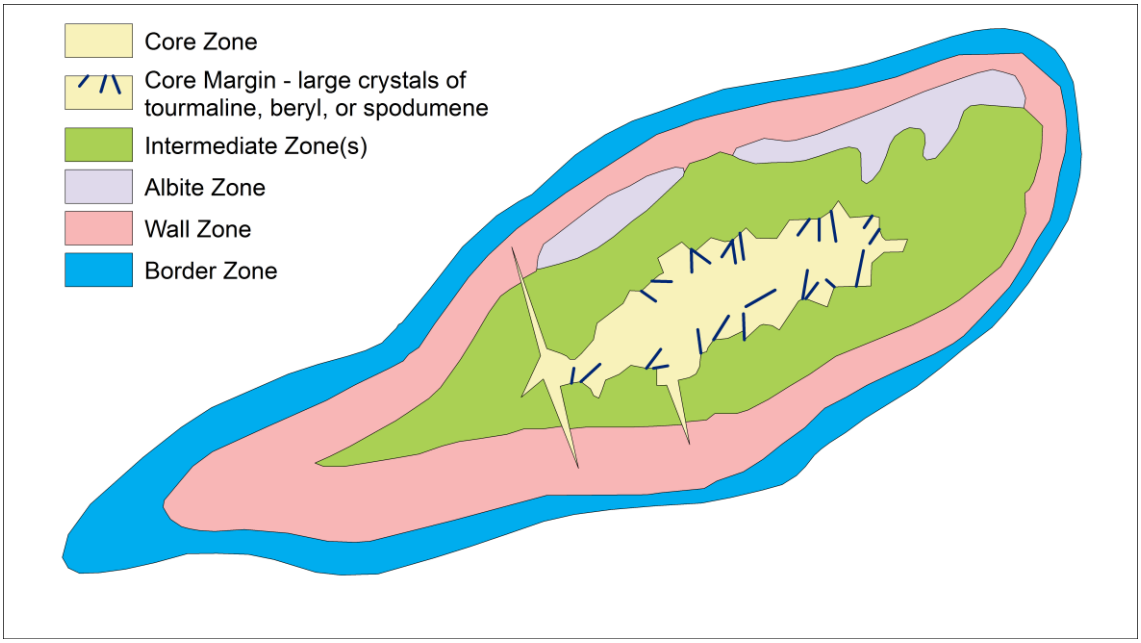
1. Zones of primary crystallisation forming more or less complete or incomplete concentric shells (asymmetric zonation also common) from the margin inwards:

    i. Border zone;
    ii. Wall zone;
    iii. Intermediate zones (outer, middle, inner and core margin); and
    iv. Core.

    With progressive crystallisation from the margin to the core, these zones usually display increasing grain size, decreasing number of rock-forming minerals, increasing number of accessory minerals and a change in texture from granitic or aplitic through graphic or heterogeneous in the border, wall and intermediate zones to blocky and coarse-grained monomineralic in the core (Cerný, 1991). It should be noted that this zoning is not always well developed and may be absent as is the case at pegmatites like Kamativi, Manono (in the DRC) and Arcadia (in Zimbabwe).
2. Replacement bodies form at the expense of pre-existing units with or without lithologic and/or structural control and are often difficult to identify as such. Their effects range from selective replacement of individual mineral species (e.g. micas after beryl or topaz), through to pervasive, yet diffuse, assemblages (e.g. albite and Li-mica after K-feldspar) replacing the primary minerals of an entire zone, to mappable, massive metasomatic units (e.g. massive lepidolite units and saccharoidal or platy albite units) replacing the bulk of the primary assemblage in pre-existing unit(s) (Cerný, 1991). These units can also contain potentially economic concentrations of cassiterite and columbo-tantalite.
3. Fracture fillings may be associated with primary zones or replacement units and are structurally controlled. These units are easily identified and generally insignificant. They are usually quartz-filled fractures emanating from the core and crosscutting the intermediate zones.

Figure 8-1

Schematic cross section of the internal structure of zoned pegmatites



Source: *After Cerný, 1991*

The economic mineralisation associated with pegmatites is usually associated with the intermediate, core margin and core zones and comprises mainly Li in petalite and lepidolite, Rb in K-feldspar and Cs in pollucite. Late stage replacement bodies comprising albite and lepidolite may also contain economic Nb-Ta, Li, Sn and Be mineralisation.

9 EXPLORATION

To date the exploration and test work on the Kamativi Project has been limited to the following:

- a review of the historical data for the Project (Project history presented in section 6);
- a topographical survey of the tailings dump;
- limited grab sampling on the top of the tailings dump; and
- this information has been used to inform the calculation of an exploration target.

Limited mineral processing and metallurgical testing has also been done and a summary of this work is presented in Section 13.

9.1 Topographic Survey of the Tailings, Digital Terrane Model and Tailings Volume

A topographic survey was conducted by a registered qualified surveyor using a Geo survey portable differential GPS unit. The data was transferred to Harare-based resource mining consultants, Digital Mining Services, who constructed and generated a 3D Surpac volumetric model of the Kamativi dump. The dump volumes were subsequently calculated based on original surface topography digitised from the 1:50,000 scale topographic map (1827 A3, Kamativi, published in 1982) produced by the Zimbabwe Survey General.

The survey was completed by Mr Grabwell Fundira, who holds a National Diploma in Mine Surveying from the Zimbabwe School of Mines, Bulawayo. Mr Fundira used a Hi-Target V30 GNSS RTK GPS system comprising of a Base, Rover and External Radio and Controller. The Spatial Reference for the survey was UTM Arc 1950 zone 35K. All coordinates have been transformed to UTM35S-WGS84 for use in this report unless otherwise stated.

The survey took place in Matabeleland North Province, Zimbabwe. The type of equipment used is modern and accurate as it engages four types of satellite system, namely; GPS (American), GLONASS (Russian), Galileo (European) as well as BDS (Chinese).

A digital terrane model ("DTM") of the present-day surface was constructed using the data from the topographic survey and a pre-tailings DTM generated from the 1:50,000 topographic map (number 1827 A3, Kamativi, 1982).

9.2 Grab Sampling Results

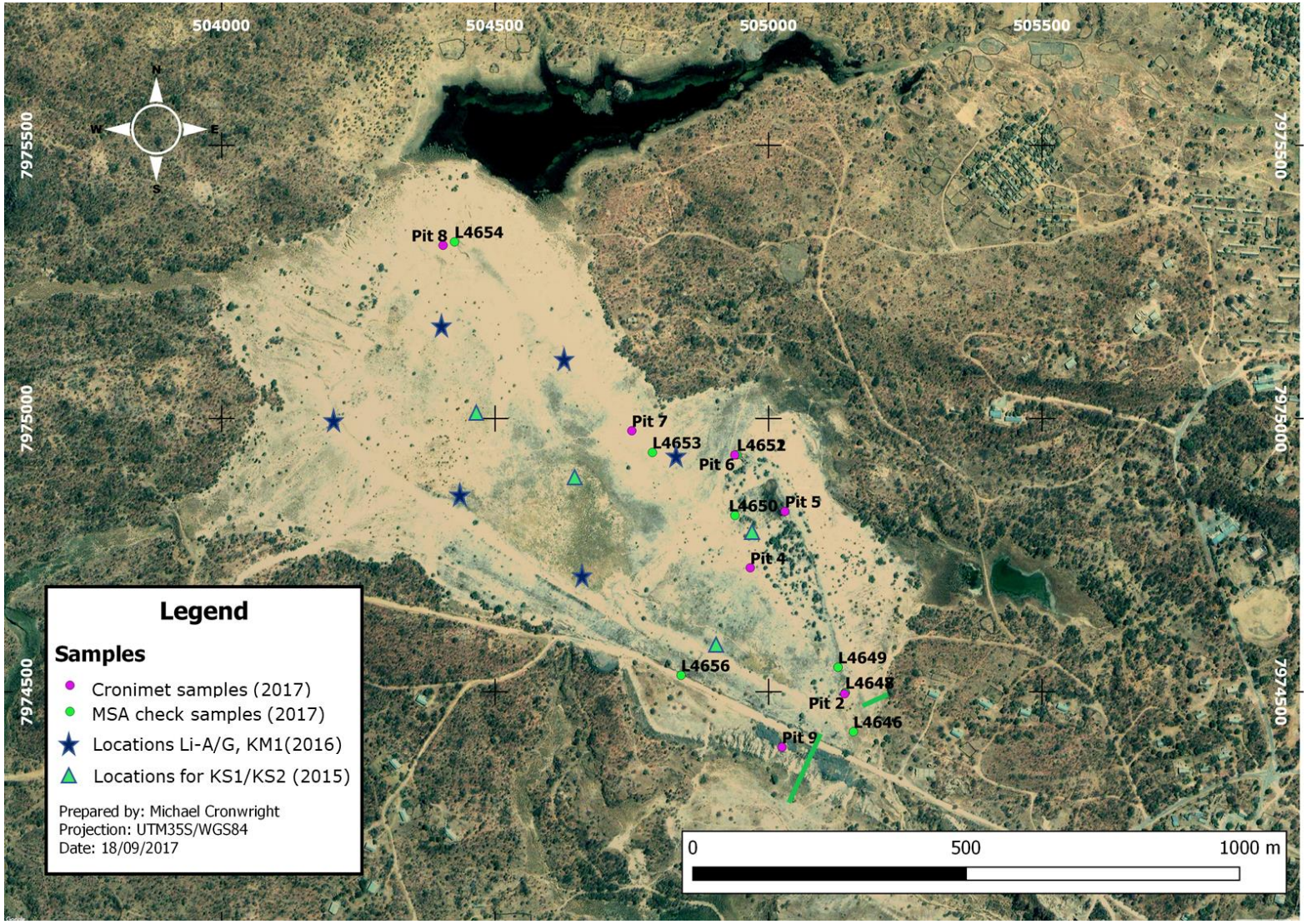
Lintmar has conducted three grab sampling campaigns on the Kamativi tailings. The first sampling campaign was done in 2015, with follow-up sampling done in 2016 and 2017 which involved grab sampling of pits and trenches to a maximum depth of approximately 1.5 m. Table 9-1 provides a summary of the results (including the independent check sampling conducted by MSA – see also Section 12).

Composite samples KS1 and KS2, collected in the 2015 sampling campaign, comprise grab samples collected from six pits across the tailings dump; the positions were not recorded but the approximate positions are known and are shown in Figure 9-1. The material collected from the six locations was combined and two subsamples (KS1 and KS2) produced by cone and quartering.

These two samples, KS1 and KS2, were used for initial mineralogical and metallurgical test work (Section 13).

Figure 9-1

Map with sample locations for MSA and historical sample locations. The location for Li-A to G, KM1 and KS1 and KS2 are approximate.



Note: *Background map sourced from Google Earth (2018)*

The material for samples Li-A to Li-G was collected from seven different locations, comprising pits and trenches, across the tailings dump and then combined to form one sample; the positions where not recorded but the approximate positions are shown in Figure 9-1. The sampled material was then combined and split into seven subsamples, Li-A to Li-G, and submitted for assay to SGS South Africa (Pty) Ltd laboratory in Randfontein (Johannesburg) ("SGS Randfontein"). Sample material remaining from samples Li-A to Li-G after analysis by SGS Randfontein, was combined and split into samples, KM1 and the AH-series by SGS Randfontein for detailed test work at Axis House and the Mintek laboratories respectively (Section 13).

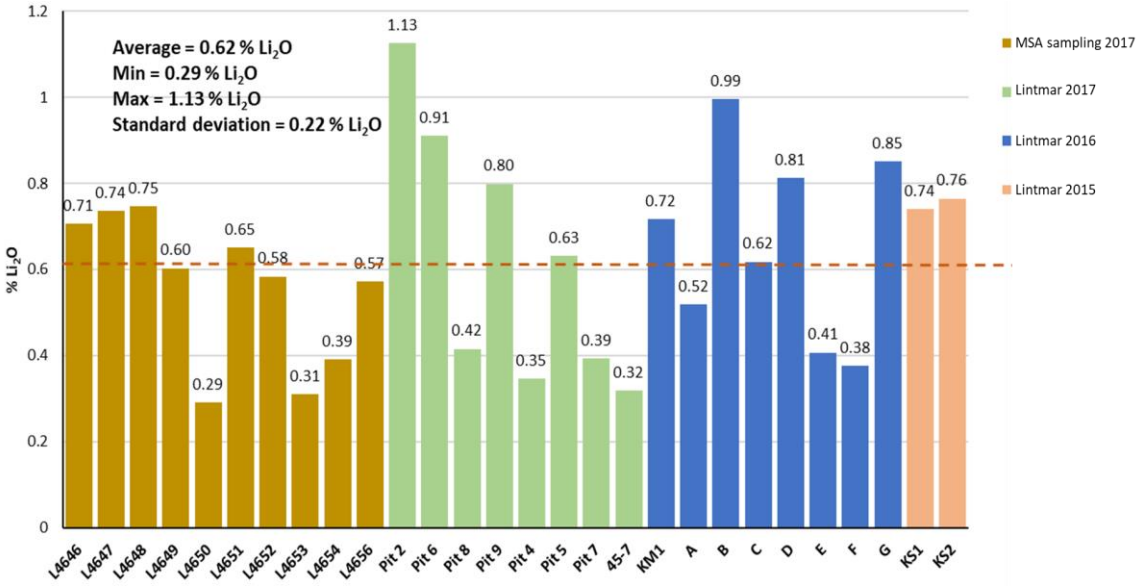
As the sampling was not carried out systematically, the grades presented do not necessarily reflect average grade of the tailings dump but do provide a range of Li_2O grades (Table 9-1). These have been used to inform an exploration target and are comparable to Li_2O grades reported in the various references used in the compilation of this technical report (UNIDO, 1983) reports grades of between 0.51 % and 0.705 % Li_2O and Sinclair (1996) reports a grade of 0.603 % Li_2O).

Table 9-1
Grab samples taken on the Kamativi tailings and results. Average grade is 0.62% Li_2O (see Figure 9-1 and Figure 9-2)

Sample ID	Longitude	Latitude	% Li_2O	Year taken	Comments
L4646	-18.3198	27.04879	0.71	2017 (MSA check sampling)	
L4647	-18.3192	27.04865	0.74		
L4648	-18.3192	27.04865	0.75		
L4649	-18.3188	27.04852	0.60		
L4650	-18.3163	27.04674	0.29		
L4651	-18.3153	27.04677	0.65		
L4652	-18.3153	27.04677	0.58		
L4653	-18.3152	27.04531	0.31		
L4654	-18.3117	27.04188	0.39		
L4656	-18.3189	27.0458	0.57		
Pit 2	-18.3192	27.04863	1.13	2017	
Pit 6	-18.3153	27.04673	0.91		
Pit 8	-18.3118	27.04168	0.42		
Pit 9	-18.3201	27.04755	0.80		
Pit 4	-18.3171	27.047	0.35		
Pit 5	-18.3162	27.0476	0.63		
Pit 7	-18.3149	27.04495	0.39		
45-7			0.32		Combination of samples from pit 4, 5 and 7
KM1			0.72	2016	Used for Mineral Processing test work (see section 13)
Li-A			0.52		Used for Mineral Processing test work (see section 13)
Li-B			0.99		
Li-C			0.62		
Li-D			0.81		

Sample ID	Longitude	Latitude	% Li_2O	Year taken	Comments
Li-E			0.41		
Li-F			0.38		
Li-G			0.85		
Average KS1			0.74	2015	Used for Mineral Processing test work (see section 13)
Average KS2			0.76		

Figure 9-2
Plot of all Li_2O results



Since the samples are grab samples and not being used for Mineral Resource or Ore Reserve estimation, the procedures followed are considered sufficient for the purposes of informing an Exploration Target and future exploration programme.

9.3 Exploration Target

The data supplied by Chimata was used to create two dump topography surfaces (Figure 9-3) and a base of dump surface. The dump topography surfaces were created using the Kamativi points (Figure 9-3B) and the Kamativi points plus Ext1 points (Figure 9-3A) respectively. The surface models were constructed in Leapfrog 4.1 and the blocks models, used for volume calculation and thickness estimations (Figure 9-4) were constructed using CAE Studio 3 software.

Figure 9-3
Kamativi Dump Surface – A) Kamativi points plus Ext 1 points (in red) and B) Kamativi points only

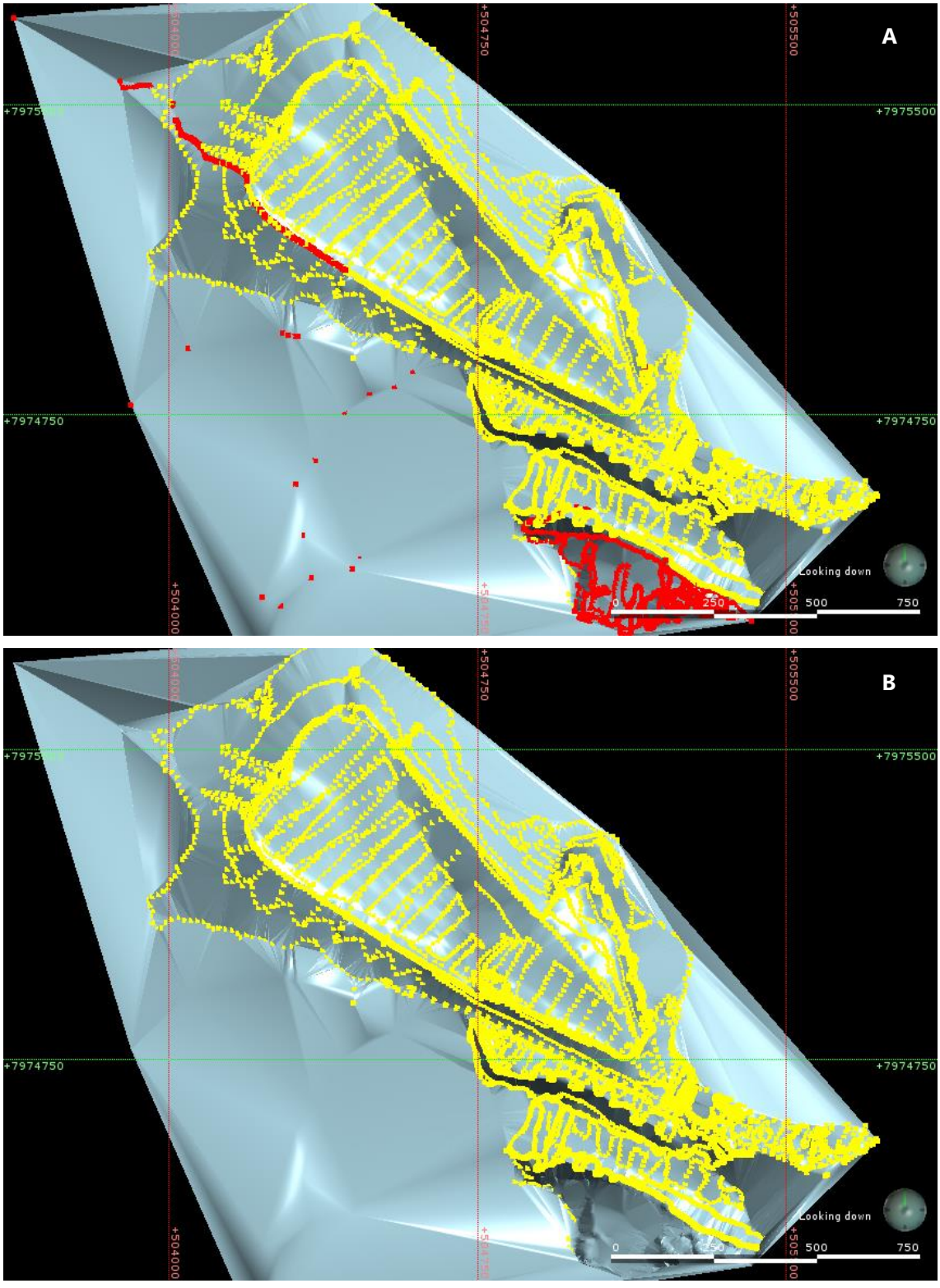
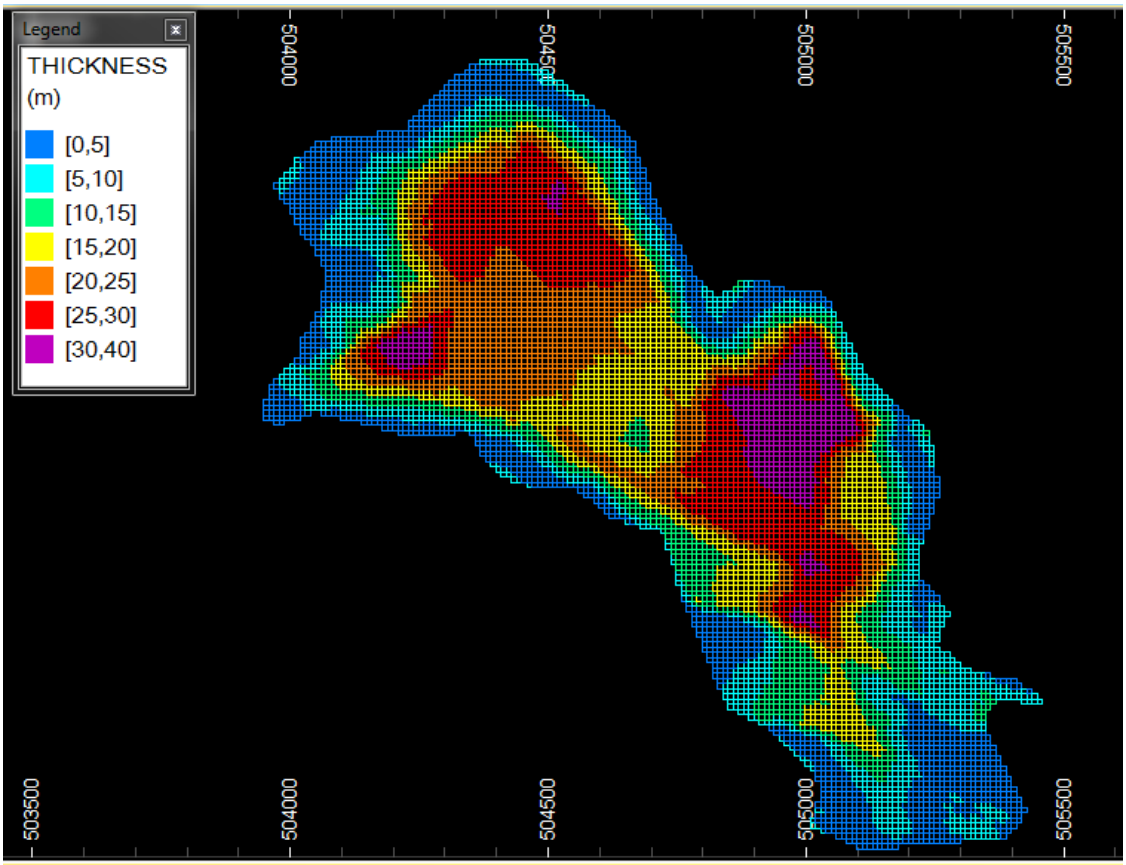
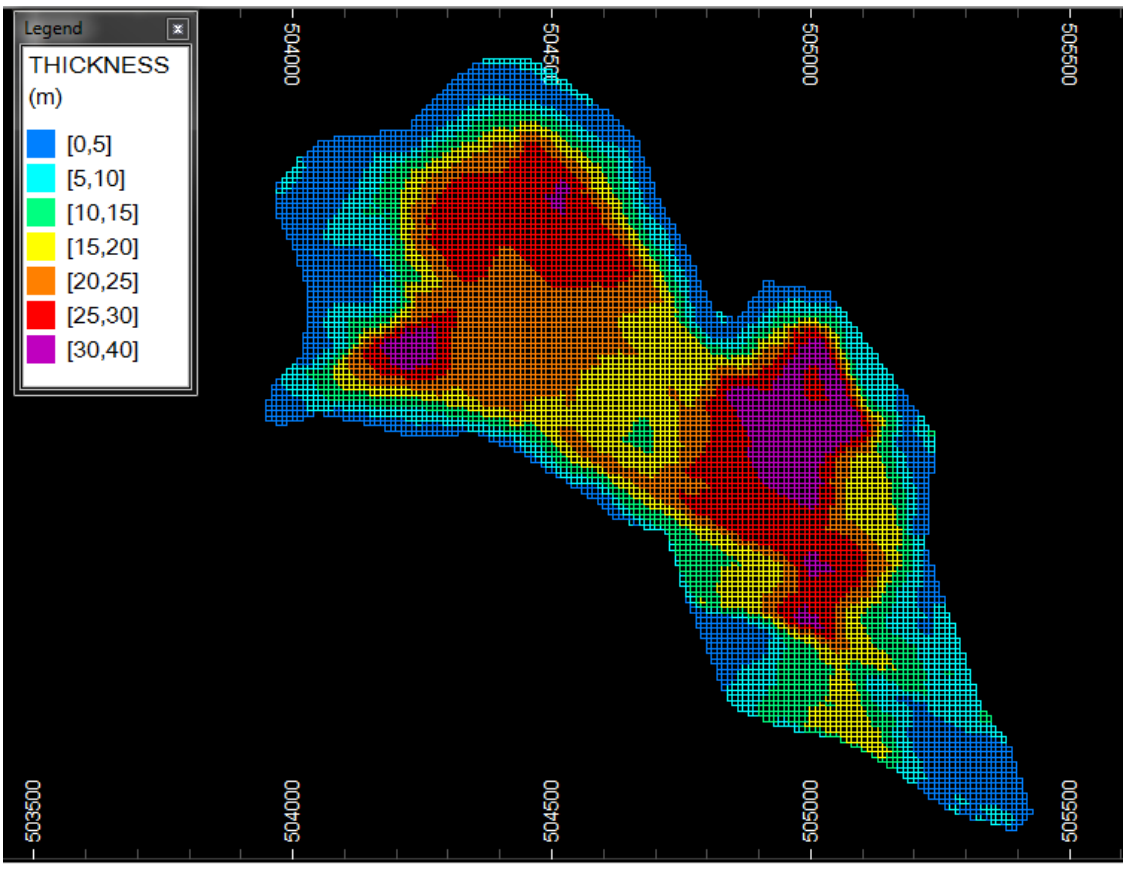


Figure 9-4
Kamativi - Thickness Models





A histogram of all the grab samples is displayed in Figure 9-5. Table 9-2 is a summary of the statistics per sampling campaign.

Figure 9-5
Li_2O Grade –– All sampling data

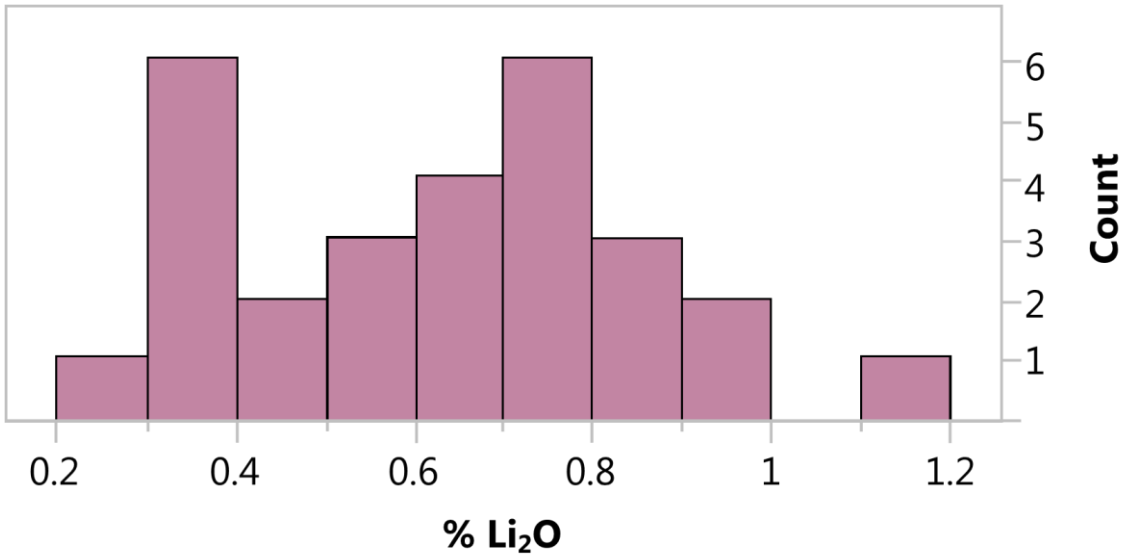


Table 9-2
Summary statistics Li_2O

	All data	Lintmar			MSA
		2017	2016	2015	2017
Number of samples	28	8	8	2	10
Minimum	0.29	0.32	0.38	0.74	0.29
Maximum	1.13	1.13	0.99	0.76	0.75
Mean	0.62	0.61	0.66	0.75	0.56
Range	0.84	0.81	0.61	0.02	0.47

The volume range of the dumps is 14,800,000 m^3 to 15,080,000 m^3. If a density range of 1.55 t/m^3 to 1.65 t/m^3 is applied (based on the QP's experience on similar projects), an exploration target of 23 Mt to 25 Mt can be reported (Table 9-3). The potential tonnage and grade is conceptual in nature as there is insufficient exploration data to define a Mineral Resource. The Company cautions that further exploration may not result in the delineation of a mineral resource estimate.

Constructing a representative dump model (a required input for Mineral Resource estimation) from the available data is currently not possible. In additional a systematic and representative sampling programme is required in order to estimate and report a Mineral Resource.

Table 9-3
Volume, tonnage, density and grade ranges of Kamativi Dump at 30 September 2017

Variable	Lower estimate	Upper estimate
Volume (m^3)	14,800,000	15,080,000
Density (t/m^3)	1.55	1.65
Tonnes (Mt)	23.0	25.0
Li_2O (%) (± 1 SD)	0.40	0.84

Source: *Computation differences may exist due to rounding.*

10 DRILLING

Not applicable at this stage. No drilling has been done.

11 SAMPLE PREPARATION, ANALYSES AND SECURITY

A total of 28 grab samples have been collected across the tailings dump comprising 18 samples collected in 2015, 2016 and 2017 by Lintmar and another 10 samples collected for verification purposes by MSA in 2017 (see Section 12) as listed in Table 9-1. All samples were sent to SGS Randfontein for sample preparation and assay. SGS Randfontein is accredited by SANAS (South African National Standard) and conforms to the requirements of ISO/IEC 17025 for the analytical methods used as per Table 11-1.

A number of sample splits, from samples Li-A to Li-G and KM1, as described below were also sent to various laboratories (Axis House in Cape Town and Mintek in Randburg, Johannesburg) for metallurgical test work, the details of this work is described in section 13.

Table 11-1
Summary of assay methods used by SGS Laboratories for the verification sampling

Method code	Elements	Lower detection limit	Upper detection limit	Description
PREP method	Sample dried and 500 g split by riffle splitter. The 500 g split of 2 mm material pulverized to 85 % passing 75 micron in a Carbon Steel ring and puck pulverizer.			
IC90A	Li Fe Other elements*: Al,Ba,Ca,Cr,Cu,K,Mg,Mn,P,S,Si,Sr,Ti,V,Zn	10 ppm 0.01 %	100,000 ppm 30 %	Sodium peroxide fusion, ICP-OES finish
IC90M	Sn Other elements*: As,Be,Bi,Cd,Ce,Co,Cs,Dy,Er,Eu,Ga,Gd,Ge, Ho,In,La,Lu,Mo,Nb, Nd,Ni,Pb,Pr,Rb,Sb,Sc,Sm,Sn,Ta,Tb,Th,Tl, Tm,U,W,Y	1 ppm	10,000 ppm	Sodium peroxide fusion, ICP-MS finish

Source: ** - detection limit varies depending on element*
*** Sodium peroxide fusion, ICP-OES, ICP-MS Finish*

The grab samples were collected from the sides of the tailings dump and trenches and pits excavated into the top of the tailings dump. The Pit-series and MSA check samples were collected as continuous channel samples taken from the side of each excavation using a shovel (Figure 11-1). Each sample was put into a pre-labelled sample bag and sealed with a cable tie.

Grab samples KS1 and KS2 collected in 2015 from the tailings and submitted for particle size distribution ("PSD") and grade by size fraction as SGS Randfontein. The Li_2O grades reported in Table 9-1 for these samples are calculated weighted average grades.

In 2016 grab samples, samples Li-A to Li-G, were collected and a subsample of each assayed at SGS Randfontein. The remainder of the material for samples Li-A to Li-G was then combined and split into the AH-series of samples that were submitted to Axis House for metallurgical test work and KM1 which was sent to Mintek for metallurgical test work. Details of the test work conducted are discussed in detail in section 13 of this technical report.

No independent quality assurance and quality control ("QA/QC") protocol was implemented by Lintmar for any of the sampling conducted to date. SGS Randfontein routinely implemented QA/QC using replicate analysis and internal reference materials.

Figure 11-1
Sampling of pit wall using a shovel

The sample number and location were noted by the geologists and technicians on hardcopy and then recorded in a Microsoft Excel spreadsheet as seen in Table 9-1 .

All samples were transported from site to South Africa by Lintmar personnel.

12 DATA VERIFICATION

The data verification included the following:

- a review of the historical data and Lintmar reports by MSA; and
- a site visit by Mr Cronwright and check sampling and assay of the Kamativi tailings.

Verification sampling was conducted by MSA during the site visit by Mr Cronwright on 7 August 2017. Ten samples were taken from locations previously sampled by Lintmar in 2016 and 2017 and a number of locations previously not sampled. Two certified reference samples sourced from African Mineral Standards ("AMIS"), AMIS0343, and two blanks comprising silica chips, AMIS0439, were also inserted into the sample batch.

All the samples were collected by the QP (Mr Cronwright) and comprised grab samples taken using a spade from either the sides of the tailings dump or pre-existing pits. Two samples, a primary and a check sample, of between 1-3 kg each, were collected from each location and inserted into plastic bags along with a pre-numbered sample tag. The bags were sealed with a numbered tamper proof cable tie. The bags were also labelled with permanent marker using the same number as that of the sample tag. Photographs were taken of all the sample tags and a hardcopy record kept of all samples collected.

The samples were then transported by Lintmar to MSA's offices in Johannesburg and the QA/QC samples inserted into the sample batch on 18 August 2017. The primary samples were then submitted to SGS in Johannesburg on 19 August 2017 and the results reported on 25 August 2017. All samples were assayed as per Table 11-1.

The QA/QC sample results from the verification sampling are considered acceptable and summarised as follows:

- both of the blank samples, AMIS0439, reported Li values <4x the lower detection limit (i.e. <40 ppm Li); and
- the two AMIS0343 samples reported Li values lower than the certified Li value of 7150 ppm Li, but within 10 %.

Comparison of the results from the MSA check sampling (L4646 to L4656) with the results of the grab sampling previously conducted by Lintmar shows a reasonably good correlation considering the inherent non-representivity of grab sampling (Figure 9-2). It is noted that the Li results of the check sampling are on average 20 % lower than the results from original samples but are within a similar range of Li-values and are thus considered suitable for use in this report.

13 MINERAL PROCESSING AND METALLURGICAL TESTING

A campaign of preliminary metallurgical test work was conducted in two phases during 2015 and 2016. Test work assessed the deportment of lithium, tin, tantalum and iron, and investigated the potential recovery and concentration of these elements. The work was based on the following:

- mineralogical characterisation;
- heavy liquid separation ("HLS") tests using tetrabromoethane ("TBE") as a dense medium;
- X-Ray Fluorescence ("XRF") analysis of the head feed and X-ray powder diffraction ("XRD") analysis of the HLS floats and sinks fractions;
- Quantitative Evaluation of Minerals by Scanning Electron Microscopy ("QEMSCAN"), bulk modal mineralogy and mineral liberation analyses on the HLS sinks fraction;

13.1 Sampling

Two grab sampling campaigns for mineral processing and metallurgical test work have been conducted on the Kamativi dumps. During 2015 samples KS1 and KS2 were taken from historical sampling pits and trenches (see Section 11 for details on the sample procedures). These samples together with a second batch of grab samples (samples Li-A to Li-G and KM1) taken during June 2016 and July 2016 (see Section 11 for details on the sample procedures) were submitted to SGS South Africa and form the basis of the assays recorded in this section of the report.

Two bulk grab samples were excavated from the dump in April 2015 and sent to South Africa for indicative test work. These were designated KS-1 and KS-2. Large samples of approximately 100 kilograms each were excavated and reduced to smaller sub-samples by the "cone-and-quarter" technique to obtain representative sub-samples of approximately 25 kilograms each.

In June 2016, additional bulk grab samples were excavated from various areas of the dump. Individual sub-samples were again produced by cone-and-quartering larger material masses excavated from the dump. Seven separate samples were delivered to South Africa for test work. These samples were designated LI-A to LI-G. The remaining bulk samples were combined and split into two separate sub-samples, which were submitted for additional test work.

A summary of the completed and outstanding test work by sample is presented in Table 13-1 and section 13.6..

Table 13-1
Summary of metallurgical samples and test work

Sample Designation	Test work Description
KS-1, KS-2	Elemental analysis (ICP-OES/MS), grade by size, particle size distribution (PSD) analysis
LI-A to G (Elemental Analysis) KM1 (Mineralogy)	Elemental Analysis (ICP OES/MS), mineralogy

13.2 Test Work and Results

13.2.1 Elemental and Particle Size Distribution Analyses

Elemental analysis was completed by means of inductively coupled plasma ("ICP") technology. The head elemental analysis is shown for Li_2O, iron, tin and tantalum in Figure 13-1 to Figure 13-4. The head samples contain an average of 0.67 % Li_2O, 274 ppm tin, 17 ppm tantalum and 0.90 % iron. The Li_2O, iron and tantalum grades are fairly consistent, increasing confidence that the grades of these elements, with the exception of tin, do not vary significantly across the surface of the dump. The tin grade is much more variable, as shown in Figure 13-3.

Figure 13-1
Li_2O head feed grade of metallurgical test work samples

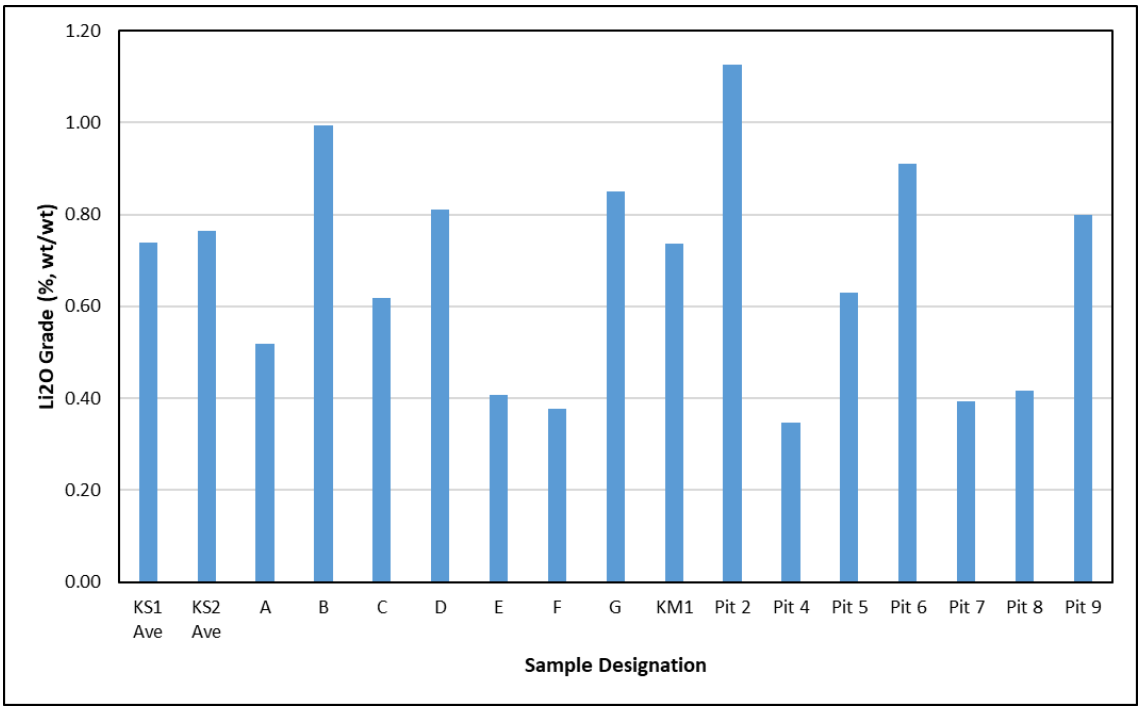


Figure 13-2
Iron head feed grade of metallurgical test work samples

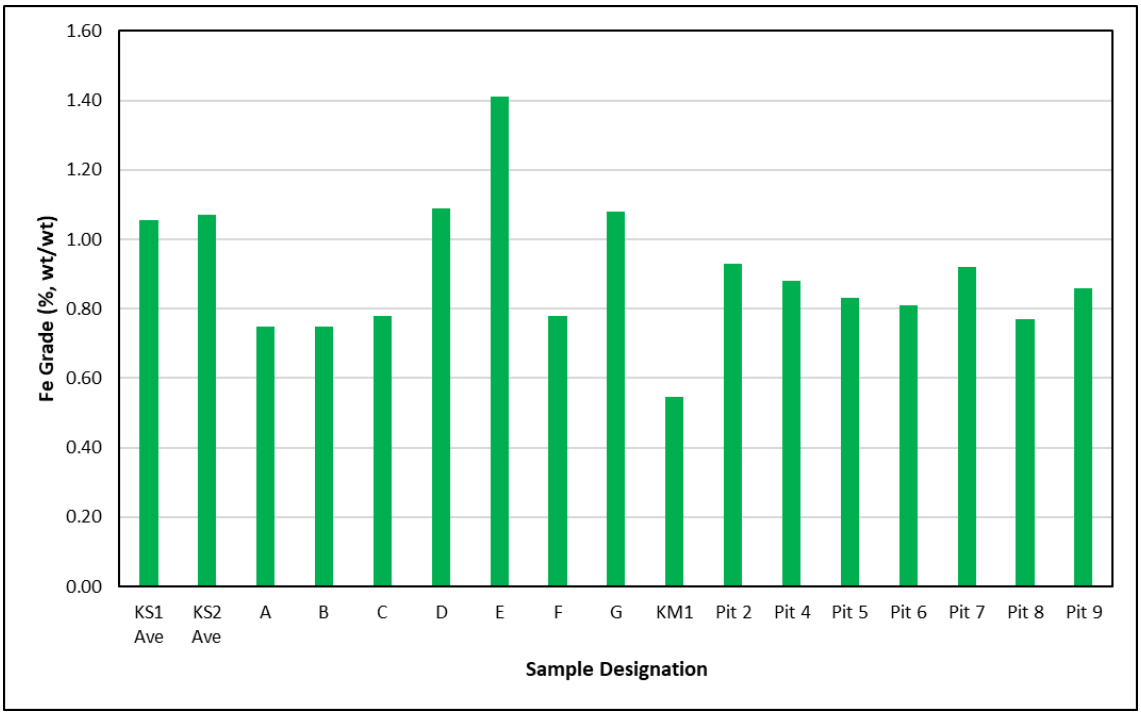


Figure 13-3
Tin head feed grade of metallurgical test work samples

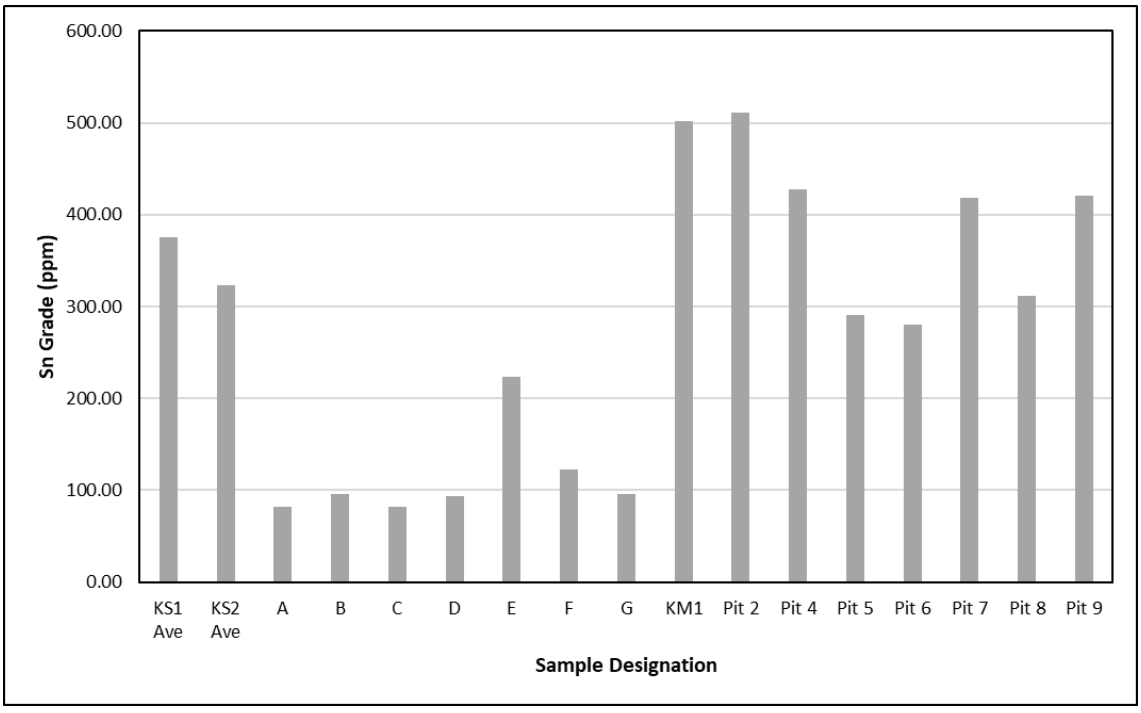
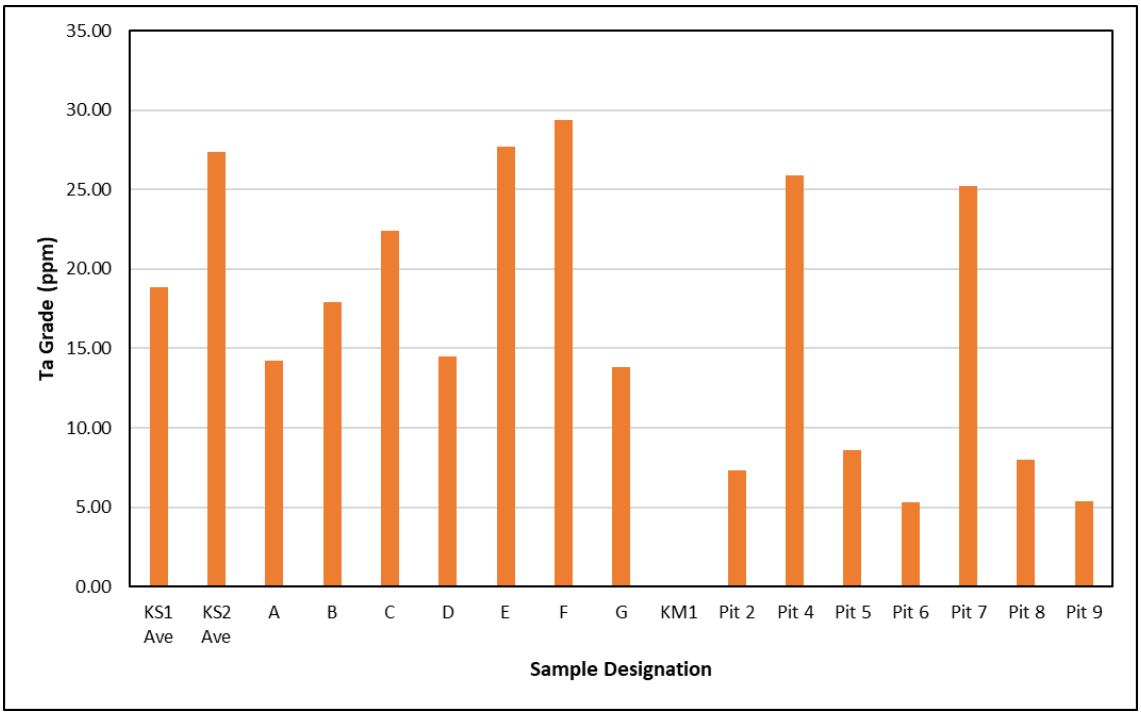


Figure 13-4
Tantalum head feed grade of metallurgical test work samples



Analysis of the samples taken in 2015 (KS1 and KS2) was also conducted on the various size fractions. Li_2O, iron, tin and tantalum grades within each size fraction are shown for samples KS1 and KS2 in Figure 13-5 to Figure 13-8.

Figure 13-5 indicates that the lithium-bearing minerals are relatively uniform across the entire size range apart from the very fine size fractions. Tin and tantalum, shown in Figure 13-7 and Figure 13-8, are concentrated in the finer size fractions (-75 µm). Iron is concentrated within the 106 µm to 53 µm size range, as illustrated in Figure 13-6. This distribution of elements raises the possibility that the iron content of the feed to flotation can be reduced significantly by de-sliming the material. The tin and tantalum will also be concentrated in the slimes, allowing for possible beneficiation of this fraction for these elements. It is likely however, that the tantalum grade will prove too low for economic extraction. The extraction of tin may possibly be achieved by the application of fine material gravity separation technology (reflux classifier). This possibility will be investigated as test work progresses. The de-sliming of the flotation plant feed is also beneficial for the flotation process itself, as the presence of slimes and micaceous gangue material tends to result in entrainment and the formation of a more viscous froth, which in turn results in decreased flotation efficiency and product grade.

Figure 13-5
Li_2O head feed grade by size analysis

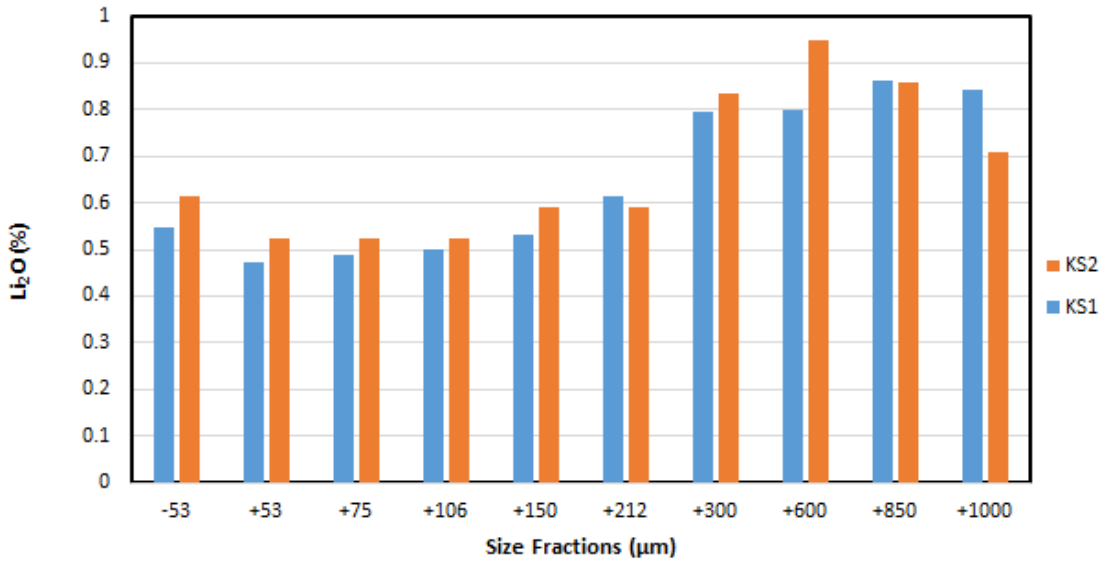


Figure 13-6
Iron head feed grade by size analysis

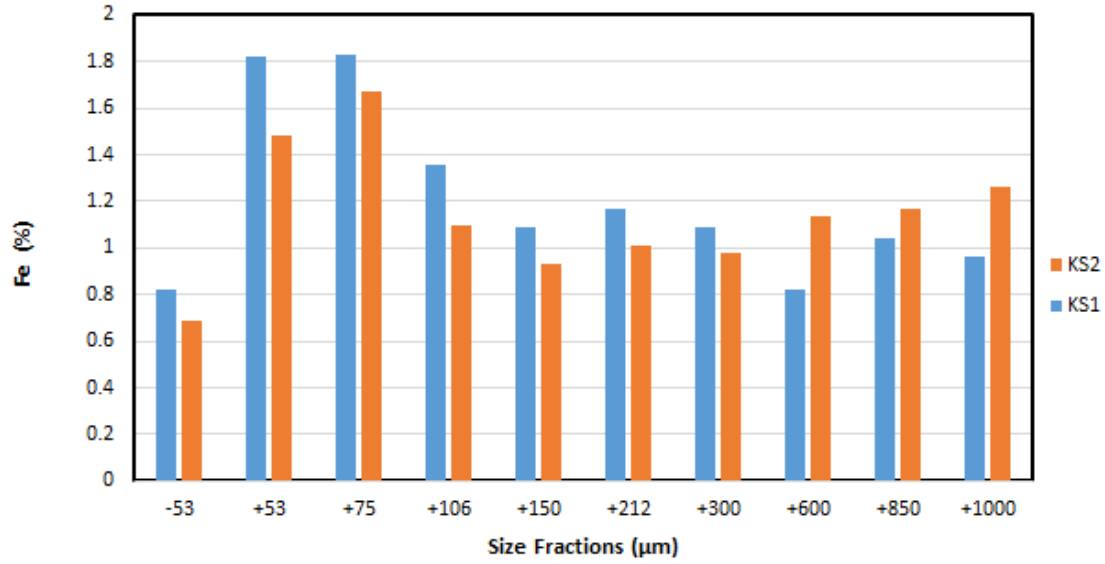


Figure 13-7
Tin head feed grade by size analysis

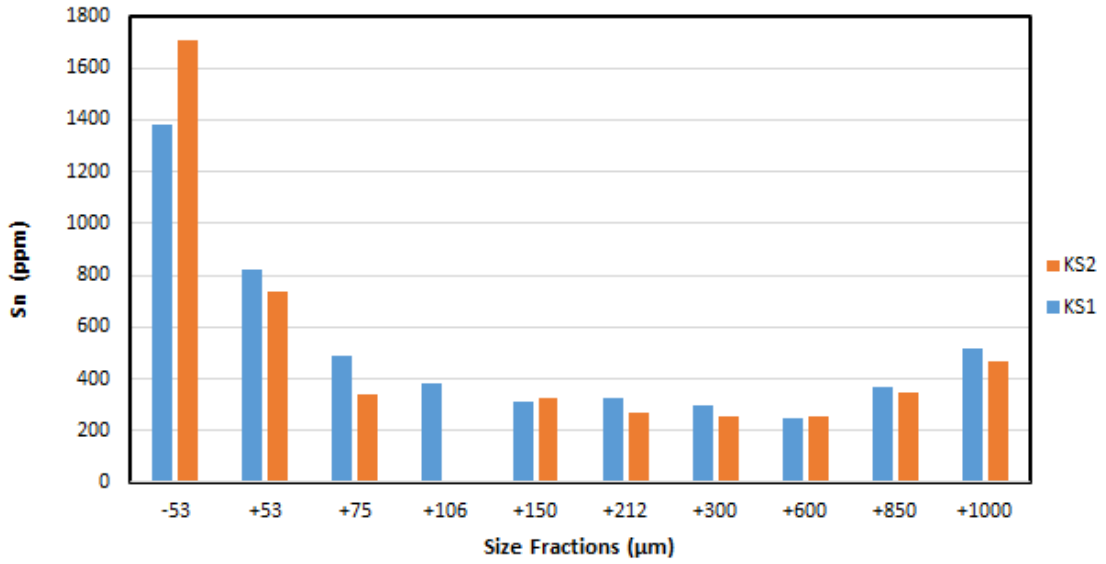
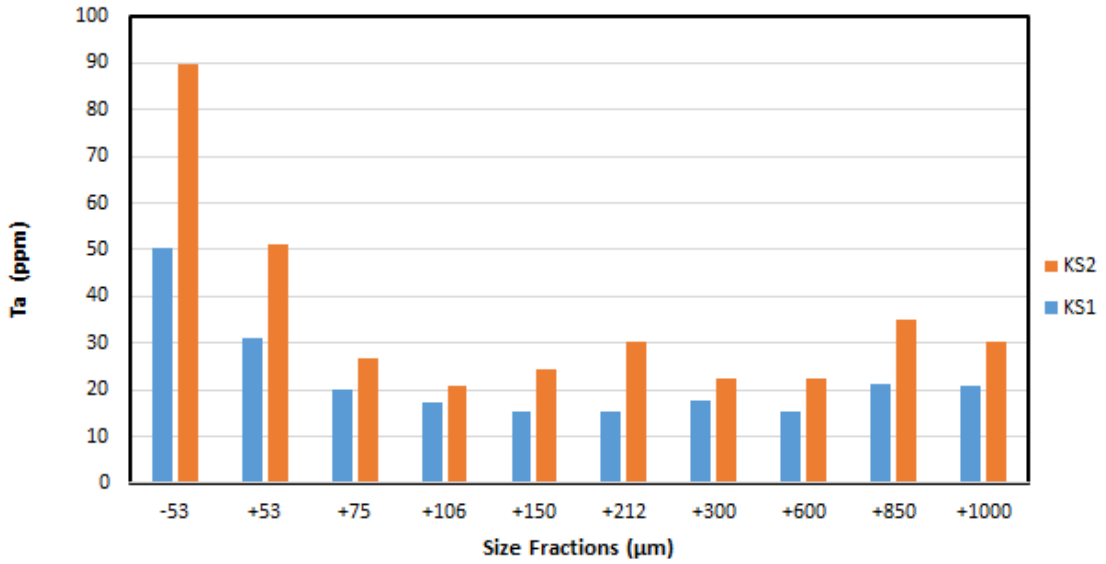


Figure 13-8
Tantalum head feed grade by size analysis



Grade-by-size analysis was also completed on the 2016 mineralogy sample, sample KM1. The resultant data is presented in Figure 13-9 and Figure 13-10. The concentration of iron and tin within the finer size fractions is confirmed by the data presented. The trend observed for Li_2O is similar to that associated with the 2015 data, samples KM1 and LI-A to G.

Figure 13-9
Mineralogy sample grade by size for Li_2O and Fe (iron)

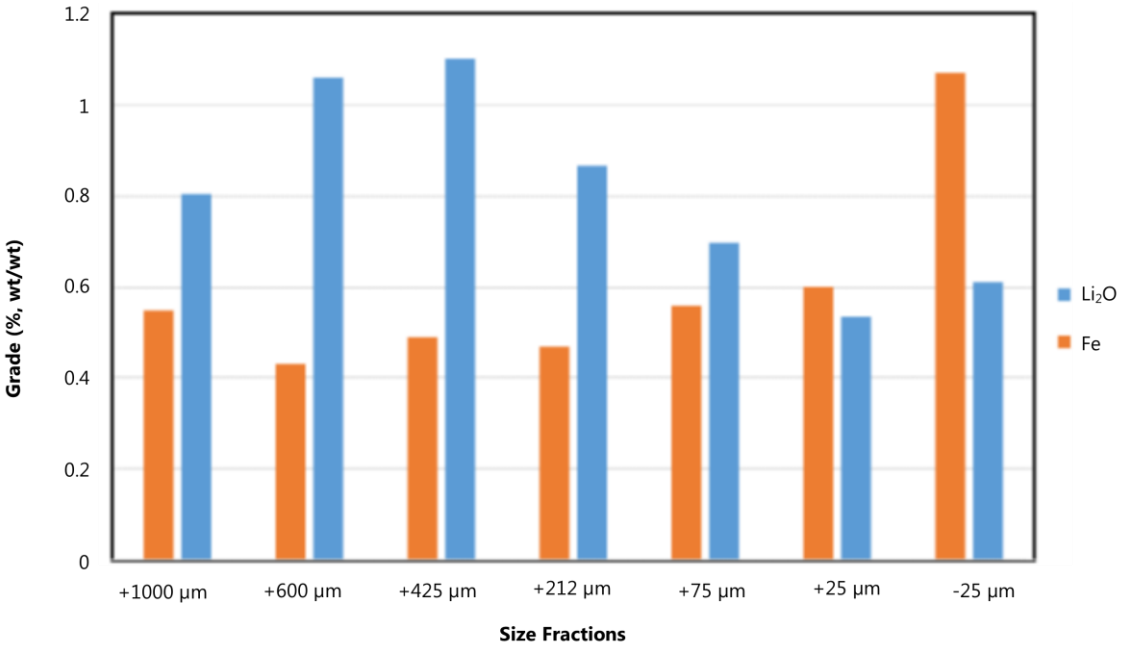
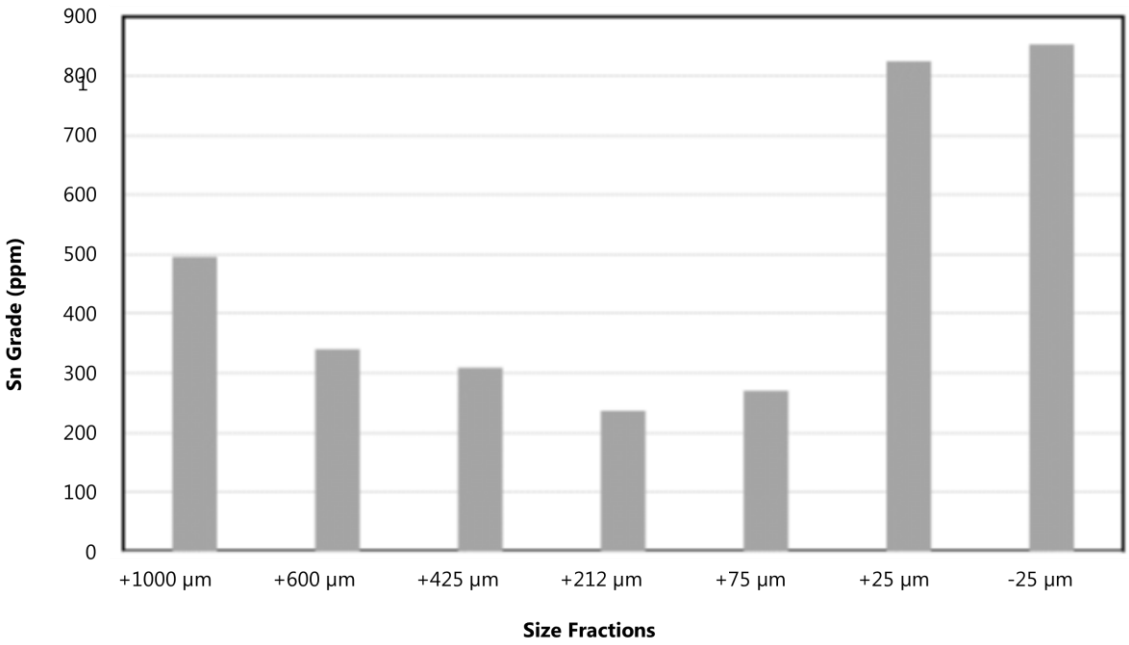


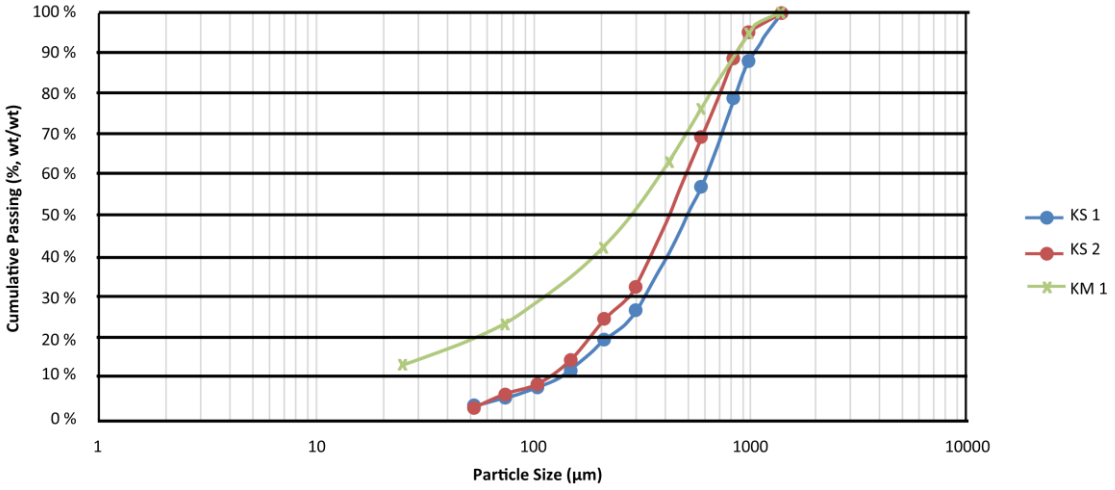
Figure 13-10
Mineralogy sample grade by size for Sn (tin)



Particle size distribution analysis was completed on the 2015 samples, KS-1 and KS-2, and on the mineralogy sample, KM-1. The particle size distribution for these individual samples is shown in Figure 13-11. From the data it is clear that the mineralogy sample (KM-1) is significantly finer than the 2015 samples. The d50 values for samples KS-1 and KS-2 are 500 µm and 440 µm respectively,

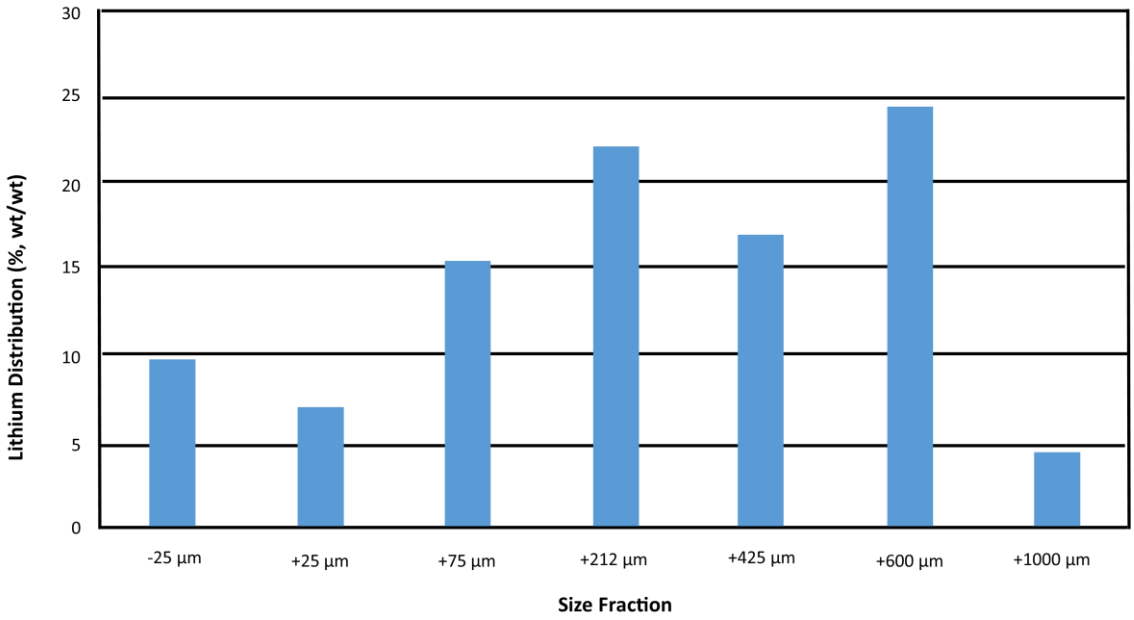
while the d50 for sample KM-1 is 290 µm. This is likely due to the fact that KS-1 and KS-2 are indicative grab samples taken from the side of the dump, while sample KM-1 is a larger more representative composite sample excavated from a number of points across the surface area of the dump. The material deposited towards the centre of the dump is generally finer.

Figure 13-11
Particle size distribution of head samples



The distribution of lithium across the various size ranges was calculated from analysis of particle size and grade-by-size distribution data. The distribution of the element is presented in Figure 13-12. The majority of the lithium is contained within the 75 µm to 1,000 µm size fraction.

Figure 13-12
Distribution of lithium across the various size fractions for the mineralogy sample KM-1



13.2.2 Mineralogical Characteristics

Mineralogical work was carried out by SGS Mineral Services, a respected and prominent laboratory based in Randfontein, South Africa. Test work conducted at SGS included:

- XRF analysis of the head feed;
- HLS tests using TBE as a dense medium;
- XRD analysis of the HLS floats and sinks fractions; and
- QEMSCAN, bulk modal mineralogy and mineral liberation analyses on the HLS sinks fraction.

13.2.2.1 Head feed XRF and HLS fraction bulk modal compositions

The head feed XRF results are presented in Table 13-2. The silica and aluminium values indicate that most of the material is present as aluminium silicates and quartz. The K_2O, Na_2O and CaO values indicate that a significant amount of the material is comprised of various feldspar minerals. The Fe_2O_3 grade of 0.86 % translates to an elemental iron grade of 0.6 % Fe. This differs slightly from the ICP value of 0.55 % Fe which is attributed to experimental error associated with the XRF measurement. The iron is present in the form of iron oxides and also in other minerals such as garnet, iron phosphates and tourmaline.

Table 13-2
Head Feed XRF Analysis

Compound	Al_2O_3	SiO_2	Fe_2O_3	MgO	CaO	K_2O	Na_2O
Grade (% wt/wt)	16.8	71.6	0.86	0.07	0.59	2.58	4.61

The results from the HLS test and the mass distribution of lithium between the different HLS fractions is shown in Table 13-3. A total of 5.6 % of the head sample mass reports to HLS sinks, while 81.4 % reports to the floats and 13 % is considered as slimes material (-25 µm). The Li_2O grade of the sinks material is 6.68 %, and accounts for approximately 50 % of the lithium mass in the sample.

Table 13-3
Heavy liquid separation results

HLS Fraction	Mass (g)	Mass Distribution (% wt/wt)	Li Grade (ppm)	Li_2O Grade (% wt/wt)	Li_2O Distribution (% wt/wt)
Sinks	29.11	5.59	31,000	6.68	49.65
Floats	423.46	81.36	1,720	0.37	40.08
Slimes	67.88	13.04	2,750	0.59	10.27
Total	**520.45**	**100.00**	**3,492**	**0.75**	**100.00**

The distribution of various minerals within the HLS fractions (Bulk Modal Analysis) is shown in Table 13-4. The presence of feldspar and quartz is confirmed by the Bulk Modal Analysis. Significant amounts of quartz, plagioclase (sodium and calcium feldspars) and K-feldspar are

found in the HLS floats and slimes fractions. The Bulk Modal Analysis indicates that approximately 80 % of the sinks fraction mass comprises spodumene. A significant amount of lithium bearing material can be found in the floats fraction and after analysis of the data presented in Table 13-3 and Table 13-4, it is clear that a significant portion of this material is in the form of occluded spodumene particles. Smaller amounts of petalite, which is less dense than TBE, are also present. Trace amounts of lithium may also be in the form of amblygonite, which would report to the sinks fraction.

Table 13-4
Bulk Modal Compositions

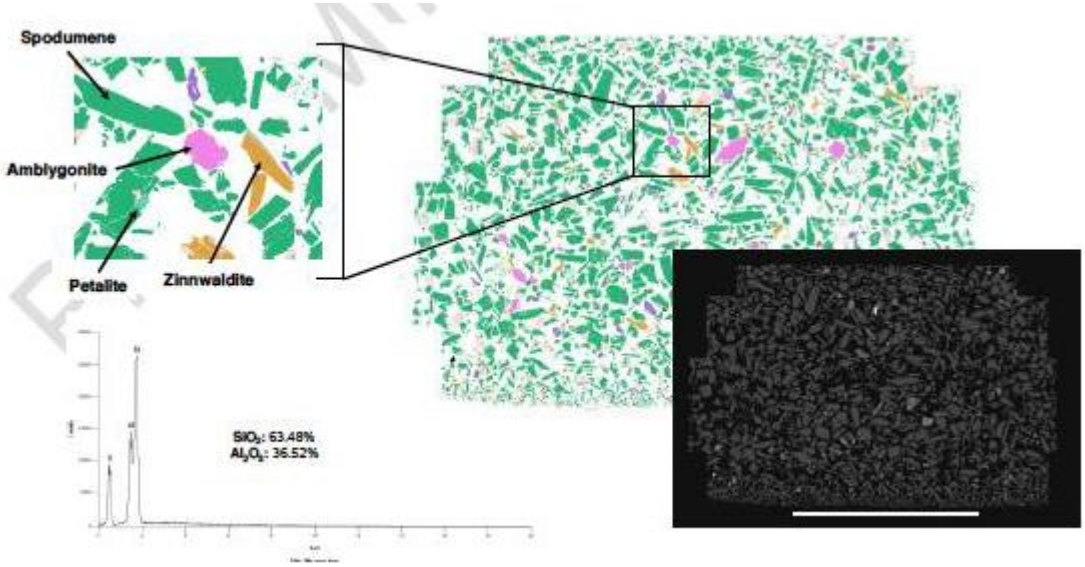
Mineral	Calculated Head Grade (% wt/wt)	HLS Sinks Grade (% wt/wt)	HLS Floats Grade (% wt/wt)	Slimes Grade (% wt/wt)
Plagioclase	34.74	1.09	38.74	24.19
Quartz	30.31	3.54	34.20	17.52
Muscovite	12.05	1.53	10.99	23.16
K-feldspar	7.93	0.11	8.42	8.24
Tourmaline	0.54	1.50	0.35	1.35
Kalborsite	0.21	0.76	0.15	0.34
Dumortierite	0.18	0.08	0.10	0.76
Other Silicates	0.06	0.57	0.04	0.02
Total Non-Lithium Containing Silicates	**86.07**	**9.21**	**93.03**	**75.63**
Spodumene	6.44	80.84	1.83	3.27
Cookeite	3.19	0.97	1.66	13.70
Zinnwaldite	1.39	2.67	1.39	0.85
Petalite	1.12	0.69	0.87	2.83
Amblygonite	0.31	1.30	0.20	0.54
Total Lithium Bearing Minerals	**12.44**	**86.47**	**5.95**	**21.18**
Cassiterite	0.03	0.23	0	0.09
Fe(Mn) Oxides	0.23	1.04	0.14	0.40
Other Oxides	0.05	0.05	0.05	0.04
Total Oxide Minerals	**0.30**	**1.32**	**0.19**	**0.53**
Apatite	0.92	1.85	0.64	2.24
Other Phosphates	0.12	1.10	0.06	0.04
Other	0.16	0.05	0.13	0.37
Total Phosphates and Other Minerals	**1.20**	**3.00**	**0.83**	**2.65**

Lithium deportment data for the various streams is presented in Table 13-5 and Figure 13-13. Approximately 70 % of the lithium in the feed material is in the form of spodumene, while 96 % of the lithium contained within the sinks fractions is in the form of spodumene. The lithium deportment to spodumene within the floats fraction is approximately 50 %.

Table 13-5
Lithium deportment from HLS testwork

HLS Fraction	Lithium Deportment (% wt/wt)				
	Spodumene	Cookeite	Zinnwaldite	Petalite	Amblygonite
Concentrate/Sinks	96.34	0.41	1.36	0.46	1.43
Floats	49.66	16.02	16.03	13.28	5.00
Slimes	30.88	46.08	3.40	14.97	4.66
Calculated Head	**70.95**	**12.53**	**6.52**	**6.91**	**3.10**

Figure 13-13
QEMSCAN and BSE maps of HLS concentrate polished thin section. EDS spectra from a spodumene grain. Scale bar = 11 mm



Analysis was also conducted on the sinks material to determine iron deportment to the various iron-bearing mineral species. Data relating to iron deportment is presented in Table 13-6. The majority of the iron in the sinks fraction is present in the form of iron manganese oxides, zinnwaldite, garnet, tourmaline and iron phosphates.

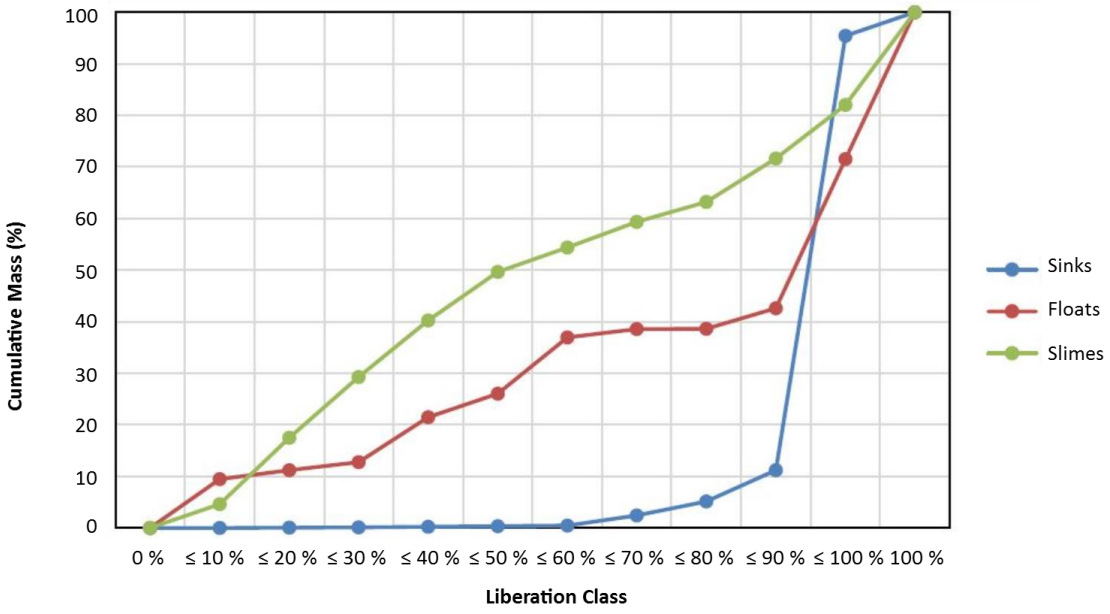
Table 13-6
Iron deportment

Mineral Species	Iron Deportment (%)
Fe(Mn) Oxides	34.67
Zinnwaldite	21.62
Garnet	15.43
Iron Phosphates	15.25
Tourmaline	10.12
Muscovite	1.39
Other	1.51

13.2.2.2 Particle liberation

The completion of QEMSCAN (**Q**uantitative **E**valuation of **M**inerals by **SCAN**ning electron microscopy) analysis allowed for a detailed examination of the liberation characteristics of various minerals contained within the HLS material fractions. Liberation data for spodumene is presented in Figure 13-14.

Figure 13-14
Spodumene liberation



It is concluded that:

- spodumene is well liberated in the HLS sinks fraction where in the order of 95 % of the particles are more than 80 % liberated;
- similarly, a relatively large component is also well liberated in the HLS floats fraction, with approximately 61 % of the spodumene particles characterised by liberation in excess of 80 %; and
- the liberation of spodumene in the slimes fraction is poor. However, this fraction accounts for a relatively small percentage of the total lithium content.

Further QEMSCAN and Back Scatter Electron ("BSE") work (Figure 13-3) conducted by SGS on the HLS fraction confirmed that the spodumene has high levels of liberation. Most of the lithium bearing minerals are also present, to a lesser extent, within the sinks fraction. Some phosphates and quartz species are present, which constitutes the diluents within the HLS sink fraction.

The QEMSCAN analysis also offers more detailed insight into the association of the spodumene particles with other minerals within the various HLS fractions. Table 13-7 represents the mineral association data for spodumene for the sinks, floats and slimes fractions.

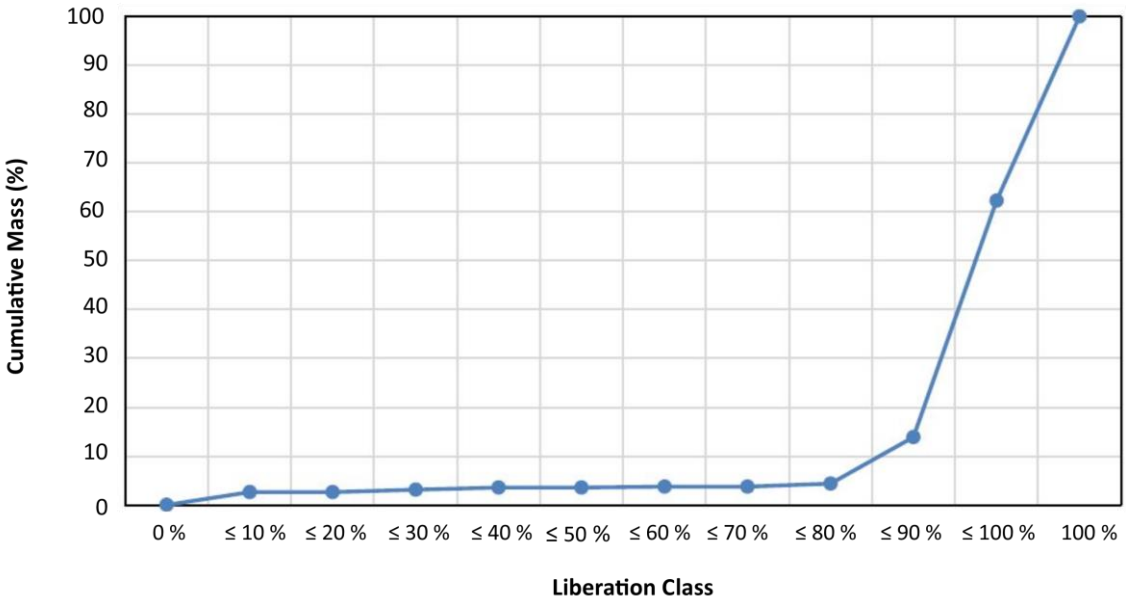
Table 13-7
Mineral association of Spodumene

HLS Fraction	Sinks	Floats	Slimes
Mineral	**Association with Spodumene (% wt/wt)**		
Background	78.21	58.60	51.62
Plagioclase	3.75	7.97	8.43
Quartz	5.84	12.61	4.25
Muscovite	3.53	4.83	16.31
Cookeite	3.69	7.44	12.66
Petalite	3.34	7.05	4.07
Other	1.64	1.50	2.66

Within the sinks fraction 78.2 % of the spodumene crystals are 100 % liberated. Attached spodumene within the sinks fraction is predominantly associated with plagioclase, quartz, muscovite, cookeite and petalite. The poorer liberation of the spodumene within the floats and slimes fraction is evidenced by the lower background associations of 58.60 % and 51.62 % for the spodumene in the floats and slimes respectively.

QEMSCAN data indicates that all the tin in the material occurs as cassiterite (SnO_2). Mineral liberation data relating to this mineral is presented in Figure 16, for the sinks material fraction only. The data indicates that the cassiterite grains within this material class are very well liberated with approximately 96 % of the cassiterite exhibiting liberation in excess of 80 % by particle area.

Figure 13-15
Cassiterite liberation – sinks fraction



13.3 Test Work Summary

The preliminary test work indicates that:

- the head samples contain an average of 0.74 % Li_2O, 316 ppm Sn, 24 ppm Ta and 0.83 % Fe. The individual sample Li_2O, iron and tantalum grades are fairly consistent, increasing confidence that the grades of these elements do not vary significantly across the surface of the dump. The tin grade is much more variable;
- mineralogical analysis indicates that the head material contains approximately 6.4% Spodumene, and that a concentrate containing 96.3% Spodumene (6.68 % Li_2O) can be produced by means of HLS separation at an SG of 2.96. Of the feed material, approximately 5.6% reports to the HLS sinks fraction. The spodumene within the sinks fraction is well liberated, with 78.2 % of the crystals being entirely liberated. Attached spodumene within the sinks fraction is predominantly associated with plagioclase, quartz, muscovite, cookeite and petalite. The poorer liberation of the spodumene within the floats and slimes fraction is evidenced by the lower background associations of 58.60 % and 51.62 % for the spodumene in the floats and slimes respectively.

13.4 Potential By-Products and Deleterious Elements

During the course of the preliminary test work, consideration has been given to potential commercial by-products and deleterious elements likely to impact on the saleability of Li_2O concentrate product.

Tin may potentially be a useful by-product, while iron is a penalty element and data relating to its content in a potential HLS or flotation concentrate should be closely analysed. Cassiterite is

concentrated in the HLS sinks and slimes fractions. 37.2 % of the cassiterite reports to the slimes (-25 µm) fraction. The deportation of a large proportion of the cassiterite to the sinks fraction is due to the high density of the mineral. A significant proportion of the tin-bearing mineral may be recovered by the gravity concentration of the slimes fraction. The separation of slimes from the feed material may be achieved by means of a de-sliming cyclone.

A Mozley multi gravity separator ("MGS") unit is suitable for the treatment of the resultant cassiterite fines and is most efficient below 300 µm. The MGS utilises a similar working procedure to the shaking table with an additional centrifugal force applied to enhance the separation of fine particles. As the MGS is a low capacity unit, it is typically employed for the cleaning of precious metals or valuable minerals such as cassiterite from pre-concentrates. Further work will be required during the next phase of the Project.

Iron is generally specified as a penalty element in off-take agreements, with maximum iron grades relating to saleable spodumene concentrate being in the range of 0.1 - 0.2 % Fe. In light of the current test work the iron-bearing minerals would require removal from the HLS concentrate. This may be achieved through the use of magnetic separation equipment such as wet high intensity magnetic separation ("WHIMS", possibly used in conjunction with gravity separation technology such as tabling. A single magnetic separation test has been performed which removed around 5 % of the concentrate and produced a magnetic concentrate consisting of largely iron mineralisation. This will be further addressed during the next phase of the Project.

The Li_2O – iron selectivity data indicates that the iron does not directly follow the spodumene recovery with an iron recovery of 53 % at a Li_2O recovery of 71 %. The data seems to suggest that an iron-rich mineral is reporting to the flotation concentrate along with the lithium-bearing minerals. The flotation of these iron species may be inhibited by the selection of an additional depressant and will be investigated further during the next phase of the Project.

13.5 Flowsheet Development

On the basis of the test work completed a likely process flowsheet to produce a concentrate is described as follows:

- hydromining of the deposit;
- classification of the material at 400 to 500 µm by screening equipment or cycloning;
- processing of the coarse material fraction in a dense media separation ("DMS") plant (DMS cyclones);
- cleaning of the DMS concentrate by means of WHIMS technology;
- processing of the fine material fraction by means of flotation; and
- cleaning of the flotation concentration by means of WHIMS technology.

13.6 Future Work

Further test work will be conducted after collecting a large, compliant, and representative sample from the Kamativi tailings resource. This test work, with the relevant data being used as inputs for flowsheet design, will be carried out according to the following individual test campaigns:

- heavy liquid separation test work;
- magnetic separation test work; and
- flotation test work.

Heavy liquid separation test work will be conducted on a coarser fraction of the tailings material, that will be taken in a compliant manner, to ascertain the feasibility of the production of a spodumene pre-concentrate through the application of dense media separation technology. Magnetic separation test work will likely be required to remove iron-bearing species from the HLS spodumene concentrate. Test work will involve the processing of concentrate material at various magnetic intensities, for the purposes of determining optimum operating parameters for the magnetic separation unit.

Due to the low efficiencies realised during the processing of fine material in a DMS circuit, flotation test work is to be completed on the finer fraction of the tailings material. Optimum operating conditions and reagent addition will be determined, in addition to the number of processing stages required. Grind optimisation and lock cycle flotation will also be conducted.

A bulk sample is required for final pilot phase test work and optimisation, which is to include the processing of the material using a flotation characterisation test rig ("FCTR"). It is currently proposed that this sample will be assembled from six trenches to be excavated across the dam surface to a depth of 2 m. Approximately 180 t of bulk material will be collected, blended and sub-sampled to provide the 500 kg requirement. The remaining material will be retained for possible future test work.

13.7 Tailings Disposal

Environmental Consultants MsMontan and Green Resource Company, visited the site as part of the environmental fatal flaw review. During the site visit three potential site options were considered:

- the first two site options consider the opportunity to minimise the footprint of any new tailings facility by concurrently scheduling mining of existing tailings and deposition of the new tailings onto mined-out areas of the existing dump footprint; and
- the third option is an area situated in a valley to the north of the existing dump.

The third option is currently the recommended site as there appears to be nothing that would hinder the establishment of the facility.

Further detailed site selection and design in conjunction with an Environmental Impact Assessment will be conducted during the feasibility study to determine final site selection.

14 MINERAL RESOURCE ESTIMATES

Not applicable at this stage.

15 MINERAL RESERVE ESTIMATES

Not applicable at this stage.

16 MINING METHODS

Not applicable at this stage.

17 RECOVERY METHODS

Not applicable at this stage.

18 PROJECT INFRASTRUCTURE

Not applicable at this stage.

19 MARKET STUDIES AND CONTRACTS

Not applicable at this stage.

20 ENVIRONMENTAL STUDIES, PERMITTING AND SOCIAL OR COMMUNITY IMPACT

20.1 Environmental Studies

Not applicable at this stage.

20.2 Permitting

No permitting is required to undertake the next phase of auger drilling on the tailings material.

20.3 Social or Community Impact

It is anticipated that The Project will have a positive social impact on the village of Kamativi and the surrounding areas. It is anticipated that should the project advance social upliftment will be achieved through the employment of many of the local population, in addition to other social programmes such as the upgrading of village amenities and infrastructure.

21 CAPITAL AND OPERATING COSTS

Not applicable at this stage.

22 ECONOMIC ANALYSIS

Not applicable at this stage.

23 OTHER RELEVANT DATA AND INFORMATION

Not applicable

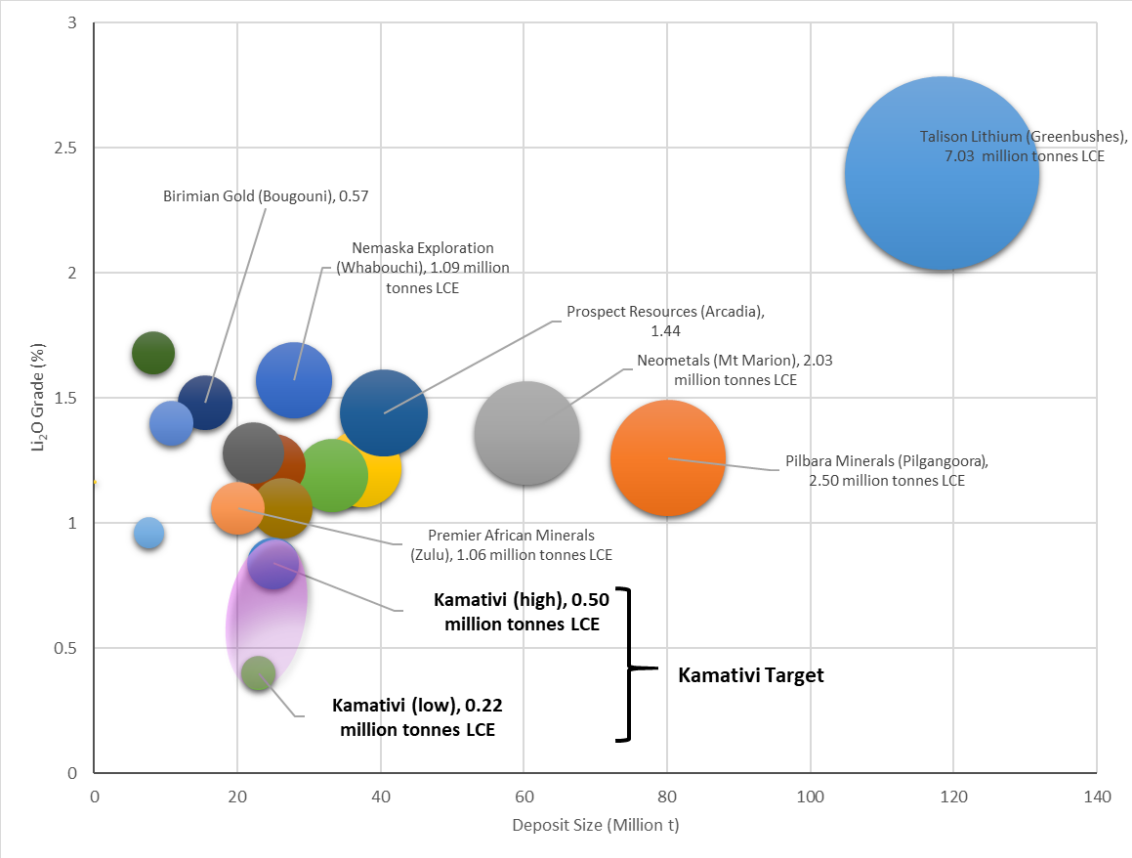
24 INTERPRETATION AND CONCLUSIONS

The Kamativi project is located approximately 310 km northwest of Bulawayo and comprises the lithium-bearing tailings dump derived from the mining of tin at the Kamativi Tin Mine. The mine operated for a period of approximately 60 years, from 1936-1994 and focused on extraction of cassiterite from the tin-bearing LCT pegmatites on the property. None of the lithium-bearing minerals were recovered. Spodumene is the dominant lithium mineral in the pegmatite and thus also in the tailings material. Other lithium minerals present include cookeite, zinnwaldite, petalite and amblygonite.

An exploration target of between 23-25 Mt at a grade of between 0.40 % to 0.84 % Li_2O has been estimated based on grab sampling of tailings material and volumes calculated from recent topographical survey and a historical pre-tailings surface. The potential tonnage and grade is conceptual in nature as there is insufficient exploration data to define a Mineral Resource. The Company cautions that further exploration may not result in the delineation of a mineral resource estimate.

The potential size of the deposit is compared primary pegmatite hosted lithium projects globally in Figure 24-1.

Figure 24-1
Comparison of the Kamativi Project exploration target with selected global pegmatite hosted lithium projects.



Preliminary metallurgical test work suggests spodumene is recoverable through a combination of gravity and flotation methods, however more detailed work is required in order to establish the most efficient work flow and also a suitable method for the removal the iron from the concentrate.

25 RECOMMENDATIONS

The results of work completed on the Project to date warrant further exploration. The recommendations to be considered for subsequent exploration activities for the next two years on the Project are detailed below and summarised in Table 25-1

Further exploration work is required in order to advance the Project and the proposed programme is:

- auger drilling and sampling programme over the tailings dumps to inform a Mineral Resource estimate. All assay work should be done in conjunction density determinations of the tailings and XRD analysis in order to understand the distribution of the lithium mineralogy within the tailings;
- advanced metallurgical test work taking into account possible variations in grade and mineralogy identified in the drilling programme and optimise the gravity process, flotation, grind size, and removal of the iron from the final concentrate; and
- finalisation of the location of the new tailings disposal facility and proposed process plant. This will need to be done in conjunction with the Environmental Impact Assessment.

Table 25-1
Summary of proposed exploration programme for next phase of exploration

Items	Key Quantities	Budget (USD)	Proposed Deliverables
Auger drilling programme	2,000 m drilling and assays	$250,000	Mineral Resource estimate brought to code-compliant category
Advanced metallurgical test work	Flotation, grind size determination, magnetic separation and gravity test work	$150,000	Metallurgical process work flow
Environmental Impact Assessment	Hydrological study, hydrogeology, soils, water, biological field studies, tailings and pilot plant processing permitting.	$100,000	Initiation of EIA Process

26 ADJACENT PROPERTIES

The Property is located within a larger licence, ML No. 12 that includes the old Kamativi Tin Mine which is held by the ZMDC.

The rights to the hard rock lithium hosted pegmatite mineralisation within ML No. 12 are currently held in a JV with China Beijing Pinchang. The history of the mining activity is summarised in Section 6 of this report.

27 REFERENCES

Anonymous (1963), Kamativi Profile Report - Kamativi Tin Mines Ltd. Site visit Brochure, 16pp.

Anonymous (1996). Kamativi Tin Mines. Saved as "*ZIM Tin Lithium Feldspar Kamativi 1996 History.pdf*"

Begg, J. (2008). Kamativi – A retrospective Overview – 2007. 16 February 2008. 5pp.

British Geological Survey (2016). Lithium. British Geological Survey – Natural Environment Research Council and MineralsUK – Centre for sustainable mineral development. June 2016. 39 pp. Accessed 2017-2018 on <https://www.bgs.ac.uk/downloads/start.cfm?id=3100>

Cameron, E.N., Jahns, R.H., McNair, A.H., and Page, L.R. (1949). Internal Structure of Granitic Pegmatites. Economic Geology Monograph 2, 115 pp

Cerný, P. (1991). Rare-element granitic pegmatites, Part I. Anatomy and internal evolution of pegmatite deposits. Geoscience Canada, 18, 49-67.

Cerný P,, and Ercit T.S. (2005). The classification of granitic pegmatites revisited. Canadian Mineralogist 43: pp. 2005-2026.

Chimata Gold Corp (2018). CHIMATA GOLD COPR SINGS BINDING LETTER OF INTENT WITH ZIMBABWE LITHIUM. Wednesday 14 February 2018 Accessed on <chimatagoldcorp.com>, March 2018.

Ercit, T.S. (2005). Identification and Alteration Trends of Granitic-Pegmatite-Hosted (Y, REE, U, Th)-(Nb, Ta, Ti) Oxide Minerals: A Statistical Approach. Canadian Mineralogists 43: pp. 1291-1303.

Kinnaird, J.A., Nex, P.A.M and Milani, L. (2016). Tin in Africa *in:* The Great Mineral Fields of Africa. Epsiodes, **vol. 39** (2), p 361- 380.

London, D. (2008). Pegmatites. Canadian Mineralogist Special Publication 10, 347 pp

Master, S. (1991). Stratigraphy, Tectonic Setting, and Mineralisation of the Early Proterozoic Magondi Supergroup, Zimbabwe: A Review. Economic Geology Research Unit, Information Circular No. 238, June 1991, 75pp.

Master, S., Glynn, S., Frei, D., Davis, D. and Oberthur, T. (2013). New U-Pb and Pb-Pb geochronology of rocks and minerals from the Proterozoic Dete-Kamativi Inlier (Zimbabwe) and Choma-Kalomo Block (Zambia): regional implications. Geological Society of Zimbabwe, Summer Symposium 2013 – Victoria Falls, p 4-8.

Melcher, F., Graupner, T., Gäbler, H., Sitnikova, M., Henjes-Kunst, F., Oberthür, T., Gerdes, A. and Dewaele, S. (2013). Tantalum–(niobium–tin) mineralisation in African pegmatites and rare metal granites: Constraints from Ta–Nb oxide mineralogy, geochemistry and U–Pb geochronology. Ore Geology Reviews, 2013. (http://dx.doi.org/10.1016/j.oregeorev.2013.09.003)

Senzani, F.E.D. (1992). Pegmatite-Hosted Mineral Deposits Of Central And Southern Africa: Regional Geological Settings And Preliminary Exploration Target Considerations. Unpublished M.Sc. Dissertation, Rhodes University, 100pp.

Sinclair, W.D. (1996). Granitic Pegmatites; in Geology of Canadian Mineral Deposit Types, (ed.) O.R. Eckstrand, W.D. Sinclair and R.I. Thorpe; Geological Survey of Canada, Geology of Canada, no. 8., p. 503-512 (also Geological Society of America, The Geology of North America, v. P-1).

United Nations Industrial Development Organization (1983). Production of Lithium Chemicals, SI/ZIM/82/801/11-01/31.8.A, Zimbabwe. Terminal Report. 11 March 1983, 20pp.

APPENDIX 1: Acronyms and Abbreviations

Acronyms and Abbreviations

AMIS	African Mineral Standards
Ave.	Average
Be	Beryllium
BSE	Back Scatter Electron
CIF	Cost, insurance and freight
Chimata / the Company	Chimata Gold Corporation
CIM	Canadian Institute of Mining, Metallurgy and Petroleum
Columbo-tantalite or Coltan	Coltan (short for columbite–tantalite and known industrially as tantalite) is a dull black metallic ore from which the elements niobium and tantalum are extracted. The niobium-dominant mineral in coltan is columbite (Nb_2O_5) and the tantalum-dominant mineral is tantalite (Ta_2O_5).
CP	Competent Person
CRM	Certified Reference Material
Cs	Caesium
DD	Diamond drilling
DMS	Dense Media Separation
DTM	Digital terrain model
EA	Environmental Assessment
ECC	Environmental Clearance Certificate
EIA	Environmental Impact Assessment
EM	Electromagnetic
EMA	Environmental Management Act
EMP	Environmental Management Plan
EPL	Exclusive Prospecting Licence
EU	European Union
FCTR	Flotation characterisation test rig
Fe	Iron
GPS	Global positioning system - An instrument used to locate or navigate, which relies on three or more satellites of known position to identify the operators location.
GSSA	Geological Society of South Africa
HLS	Heavy liquid separation
ICP	Inductively coupled plasma
IDC	Industrial Development Corporation of Zimbabwe
Jimbata	Jimbata (Pvt) Ltd – to be renamed The Lithium Tailings Company of Zimbabwe
JV	Joint Venture
Kamativi tailings / Kamativi Project	Kamativi Lithium Tailings Project
LCE	Lithium carbonate equivalent. Conversion from $\%Li_2O$ to %LCE = $Li_2O(\%)*2.473$ %Li to %LCE – Li(%)*5.323

LCT	Lithium Caesium Tantalite
Li	Lithium
Li_2O	Lithium oxide
Li_2O (Lithia)	Lithia - Lithium oxide (Li_2O). Contains 46.4% Li. Conversion from %Li to %Li_2O = %Li*2.153
Li_2CO_3	Lithium carbonate - Tradable lithium concentrate used for Li-ion battery manufacture. Contains 18.8 % Li
$LiOH.H_2O$	Lithium hydroxide monohydrate - Tradable lithium concentrate used for Li-ion battery manufacture. Contains 16.5 % Li
Lintmar	Lintmar (Private) Limited
LOI	Loss on ignition
Ma	Million years.
Nb-Ta	Columbo-tantalit/ coltan
NORM	Naturally occurring radioactive materials
NYF	Niobium Yttrium Flourine
mamsl	Metres above mean sea level
MGS	Multi gravity separator
ML	Mining Lease
MSA	The MSA Group (Pty) Ltd
Monazite	Phosphate mineral with a chemical composition of $(Ce,La,Nd,Th)(PO_4,SiO_4)$. It usually occurs in small isolated grains, as an accessory mineral in igneous and metamorphic rocks such as granite, pegmatite, schist, and gneiss.
MT	Magneto-Telluric
Mt	Million tonnes
Nb	Niobium
nCZ	northern Central Zone
NI 43-101	National Instrument 43-101 Standards of Disclosure for Mineral Projects
NUST	New University of Science and Technology
N.V.	Naamloze Vennootschap / public company (Dutch)
QP	Qualified Person(s)
ppm	Parts per million
PSD	Particle size distribution
QA/QC	Quality Assurance and Quality Control
QEMSCAN	Quantitative Evaluation of Minerals by Scanning Electron Microscopy
Rb	Rubidium
RC	Reverse Circulation (drilling)
Report	Independent Technical Report
RQD	Rock Quality Designation
SACNASP	South African Council for Natural Scientific Professions
SANAS	South African National Accreditation System
sCZ	Southern Central Zone

SD	Standard Deviation
SEIA	Social and Environmental Impact Assessment
SG	Specific Gravity
SGS Randfontein	SGS South Africa (Pty) Ltd Laboratory, Randfontein, South Africa
SnO_2	Tin oxide / Cassiterite
STI	Sexually transmitted infections
t	Metric tonnes
Ta	Tantalum
TBE	tetrabromoethane
the Project	Kamativi Lithium Tailings Project
the Property	Kamativi Lithium Tailings Property
tpm	Metric tonnes per month
tpd	Metric tonnes per day
UNIDO	United Nations Industrial Development Organization
US$ / USD	United States of America dollars
WHIMS	Wet high intensity magnetic separation
XRD	X-ray powder diffraction
XRF	X-Ray Fluorescence
ZIM	Zimbabwe Lithium Company (Mauritius) Limited
ZMDC	Zimbabwe Mining Development Corporation

APPENDIX 2: The JV Agreement signed on the 2nd of February 2018

JOINT VENTURE AGREEMENT

Made and Entered into by and Between

Zimbabwe Mining Development Corporation

A Corporation created in terms of the Zimbabwe Mining Development Act [Chapter 21:08]
(Hereinafter referred to as ZMDC)
and herein represented by D. Murangari he being duly authorised thereto by a Resolution of the Board of ZMDC dated the 31st day of January 2018

AND

KAMATIVI TIN MINES (PVT) LTD

A company incorporated and registered in terms of the laws of the Republic of Zimbabwe with company registration number 140/42/51
(Hereinafter referred to as Kamativi)
and herein represented by D. Murangari, he being duly authorised thereto by a Resolution of the Board of Kamativi dated the 31st day of January 2018

AND

LINTMAR MINING (PVT) LTD

A company incorporated and registered in terms of the laws of the Republic of Zimbabwe with company registration number 6325/2013 this
(Hereinafter referred to as Lintmar)
and herein represented by J. McTaggart the being duly authorised thereto by a Resolution of the Board of Lintmar dated the 29 January 2018

1. INTERPRETATION

In this Agreement, clause headings are for convenience only and shall not be used in its interpretation. Unless the context clearly indicates a contrary intention: -

1.1 a word or an expression which denotes: -

1.1.1 any gender includes the other genders

1.1.2 a natural person includes an artificial or juristic person and vice versa

1.1.3 a singular includes the plural and vice versa

1.2 the following word and expressions shall bear the meanings assigned to the below and cognate words and expressions bear corresponding meanings: -

1.2.1 **"Agreement"** – this document together with its annexures, as amended from time to time;

1.2.2 **"Approved Business Plan"** means a business plan for the Joint Venture Company in respect of the Project that has been approved by the Parties and forming an integral part of this Agreement;

1.2.3 **"Articles of Association"** – means the Articles of Association to be subscribed by the parties for the establishment of the Joint Venture Company;

1.2.4 **"Auditors"** - means the auditors of the Joint Venture Company as may from time to time be appointed by the Board of the Joint Venture Company;

1.2.5 **"Authority"** – means any local, municipal, provincial, state or another authority or official which has the power to impose or responsibility to apply any law whether in Zimbabwe or elsewhere;

1.2.6 **"Lintmar"**- means Lintmar (Pvt) Ltd, a company incorporated and registered in terms of the Laws of the Republic of Zimbabwe, with company registration No 6325/2013;

1.2.7 **"Board"** – means the Board of Directors of the Joint Venture Company as constituted from time to time;

1.2.8 **"Business Day"** – any calendar day which is not a Saturday, a Sunday or an official public holiday in Zimbabwe;

1.2.9 **"Commission Date"** – the date of hot commissioning of the plant and equipment for the purposes of commencement of production of lithium concentrate by the Joint Venture Company;

1.2.10 **"Concession Area"** – A "dump site" within the Kamativi Mining Lease # 12 measuring 275ha which includes inter alia a 23 million tonne tailings dump, and which is in Concession Area more fully described and detailed in **Annexure "A"** attached hereto and forming an integral part of this Agreement;

1.2.11 **"Confidential Information"** – the facts and details of the investigations and negotiations between the Parties concerning the subject matter of this Agreement, as well as all information which any Party discloses, furnishes or makes available to another Party regarding the subject matter of this Agreement whether prior to, in contemplation of, during or after negotiations and irrespective of whether such information is marked "confidential" or "proprietary" or otherwise. The confidential information accordingly includes, without limitation, all communications (whether written, oral or in any other form), all reports, statements, schedules and other data concerning any financial, technical, labour, marketing, administrative, accounting and other matters, provided that, notwithstanding the foregoing, the confidential information shall not include the information referred to in Clause 17.5;

1.2.12 **"Effective Date" -** means date of last signature of this Agreement

1.2.13 **"Encumbrance**" – any encumbrance over or security interest in any form over property, including any pledge, cession, mortgage, notarial bond, lien, right or hypothec, but excluding normal and usual servitudes or conditions in title deeds

1.2.14 **"Force Majeure"** – means any circumstance beyond the reasonable control of a Party and shall include (but shall not be limited to) *vis majeure*, *casus fortuitous*, any act of God, insurrection, riot, vandalism, mob violence, civil commotion, criminal activity, sabotage, acts of the military, police or civil authorities, any requirement of any authority, any

court order, international restriction, epidemic, quarantine, restriction in the freedom of movement of persons and assets, material, transportation, electricity, water, utilities or other necessary resources, earthquake, excessive rainfall, floods and other effect of whether elements;

1.2.15 **"Joint Venture Company"** – a company to be incorporated in Zimbabwe by the Parties as a vehicle to undertake the business detailed in the objectives of this Agreement as contemplated in Clause 2.2 the issued capital of which company shall be held as detailed in Clause 5.1

1.2.16 **"Investor"** – means Lintmar or its nominee;

1.2.17 **"Kamativi Mining Lease # 12"** – means the Mining Lease Title 12 issued and registered on 5 January 1976 to Kamativi Tin Mines with registered mining locations as per the schedule "D" contained in Annexure A.

1.2.18 **"Mining Title"**- means the agreed separate terms and obligations in relation to the surface exploitation or processing of the dumps in the concession area situate in the Kamativi Mining Lease number 12.

1.2.19 **"Minister"** – the Minister of Mines and Mining Development or any Minister to whom the President of the Republic of Zimbabwe may, from time to time assign the administration of the Mines and Minerals Act [Chapter 21:05] or any legislation replacing the said Act;

1.2.20 **"MMCZ"** - The Mineral Marketing Corporation of Zimbabwe duly established by the Minerals Marketing Corporation Act of Zimbabwe Act [chapter 21:04];

1.2.21 **"OFAC"** – means Office of Foreign Assets Control which provides a list of specially designated individuals or entities.;

1.2.22 **"Parties"** – collectively Kamativi or ZMDC or its nominee and Lintmar or its nominee;

1.2.23 **"Project"** -means the processing of the tailings dump that are situate in the Concession Area to extract Lithium, Tin, Tantalite and various other valuable minerals that shall be beneficiated in Zimbabwe in accordance with Clause 4.2.1.3.

1.2.24 **"RBZ"** – the Reserve Bank of Zimbabwe established in terms of the Reserve Bank of Zimbabwe Act [Chapter 22:15];

1.2.25 **"Shareholders Agreement"** – a written Shareholders Agreement to be concluded by the Parties in respect of the Joint Venture Company;

1.2.26 **"Shares"** – means issued shares of any class in the share capital of the Joint Venture Company

1.2.27 **"Signature Date"** – the date of signature of this Agreement by the signatory which signs it last.

1.2.28 **"USD"** – United States of America Dollars being the lawful currency in the United States of America.

1.2.29 **"Warranties"** – the warranties, representations and undertakings given in terms of Clause 20.

1.2.30 **"ZESA"** - the Zimbabwe Electricity Supply Authority.

1.2.31 **"ZIA"** – the Zimbabwe Investment Authority.

1.2.32 **"SEZ"** – means Special Economic Zone.

1.2.33 **"Zimbabwe"** – the Republic of Zimbabwe; and

1.2.34 **"ZMDC"** – the Zimbabwe Mining Development Corporation, a body corporate established under and in terms of the Zimbabwe Mining Development Act [Chapter 21:08].

1.3 Any reference to any statute, regulation or other legislation shall be a reference to that statute, regulation or other legislation as at the Signature Date and as amended or substituted from time to time.

1.4 If in any provision in a definition is a substantive provision conferring a right or imposing an obligation on any Party then, notwithstanding that it is only in a definition, effect shall be given to that provision as if it were a substantive provision in the body of this Agreement.

1.5 Any reference to days (other than a reference to business days), or months or years shall be a reference to calendar days, months or years.

1.6 Use of the word "including" followed by a specific example/s shall not be construed as limiting the meaning of the general wording preceding it and the

eiusdem generis rule shall not be applied in the interpretation of such general wording or such specific example/s.

1.7 Schedules and annexures to this Agreement form an integral part hereof and words and expressions defined in this Agreement shall bear, unless the context otherwise requires, the same meaning in such schedules or annexures, and vice versa. To the extent that there is any conflict between the schedules or annexures to this Agreement and the provisions of this Agreement, the provisions of this Agreement shall prevail.

1.8 Where any term is defined within the context of any particular clause in this Agreement, the term so defined, unless it is clear from the clause in question that the term so defined has limited application to the relevant clause, shall bear the same meaning as ascribed to it for all purposes in terms of this Agreement, notwithstanding that that term has not been defined in this interpretation clause.

1.9 The rule of construction that, in the event of ambiguity, the contract shall be interpreted against the Party responsible for the drafting thereof shall not apply in the interpretation of this Agreement.

1.10 This Agreement shall be binding on and enforceable by the Administrators, Trustees, permitted Assigns or Liquidators of the Parties as fully and effectually as if they had signed this Agreement in the first instance and reference to any Party shall be deemed to include such Party's Administrators, Trustees, permitted Assigns or liquidators.

1.11 Where figures are referred to in numerals and in words, if there is any conflict between the two, the amount in words shall prevail.

2. INTRODUCTION

It is recorded that: -

2.1 ZMDC is the majority shareholder in Kamativi Tin Mines (Pvt) Ltd, the holder of the Mining Title to the Concession Area, which company has the right to,

inter alia, prospect, explore for, mine tin, tantalite, beryllium, lithium and other minerals in the Concession Area;

2.2 The Parties wish to enter into this Agreement and provide funding as well as financial, technical, management and operational expertise upon the terms and conditions of this Agreement, in order to process the Kamativi tailings dump to extract Lithium, Tin, Tantalite and various other valuable minerals, it being agreed that the Joint Venture Company shall enter into agreements to process the lithium concentrate extracted by it so that such shall be beneficiated into lithium carbonate - Li_2CO_3 ("LC") in Zimbabwe within three (3) years of the Effective Date in accordance with the terms of this Agreement.

2.3 The Parties shall incorporate a Joint Venture Company in Zimbabwe, for implementing the Project;

2.4 The issued ordinary shares of the Joint Venture Company shall be subscribed for and be held as follows; 40% by ZMDC or its nominee and 60% by Lintmar or its nominee which shareholding shall be subject to variation in accordance with Clause 5.1 of this Agreement.

2.5 The Parties agree that ZMDC's shares in the Joint Venture Company shall not be diluted and that ZMDC shall always be entitled to hold a 40% beneficial interest in the Joint Venture Company.

2.5.1 The Shareholders shall be entitled to dividends from the Joint Venture Company in accordance with their respective shareholding in the Joint Venture Company save however that where lithium concentrate is marketed in un-beneficiated state, ZMDC will be entitled to receive an economic interest of 51% of profits arising from the production and sale of such lithium concentrate and Lintmar or its nominee will receive an economic interest of 49% of profits. This clause maybe subject to negotiation at the discretion of the shareholders in order to align the agreement with the amendment of the Indigenisation & Empowerment Act as referenced by the Government of Zimbabwe in its document "Investment Guidelines" clause 1.9 (b) published in January 2018.

3. CONDITIONS PRECEDENT

3.1 This Agreement, except clauses 1, 3, 19, 20, 21, 22, 23 and 27 by which the Parties shall be bound, is entirely conditional upon: -

3.1.1 Within thirty (30) days from the Signature Date all regulatory and legal approvals, consents and waivers required, including but not limited to those to be obtained from the Ministry of Mines and Mining Development, which shall be obtained by ZMDC, and the Zimbabwe Investment Authority, which shall be obtained by Lintmar or its nominee, for the Project and direct or indirect investment in the Project by investors resident outside of Zimbabwe, having been obtained.

3.1.2 Within thirty (30) days from the Signature Date, Lintmar or its nominee providing financial proof acceptable to ZMDC, confirming that Lintmar or its nominee shall meet its financial obligations, in terms of this Agreement when called upon by the Joint Venture Company to do so.

3.1.3 Within thirty (30) days from the Signature Date, ZMDC giving written notice to Lintmar or its nominee, to the effect that ZMDC has conducted a due diligence of Lintmar or its nominee to its satisfaction, which due diligence shall include but not limited to, a due diligence on Lintmar or its nominee's ability to perform its obligations in terms of this Agreement;

3.1.4 Within thirty (30) days from the Signature Date ZMDC and Kamativi providing the Joint Venture Company with dump processing rights to the Concession Area and beneficiation rights to the Kamativi Tailings Dump; and

3.1.5 Within thirty (30) days from the Signature Date the Parties approving in writing the Business Plan;

3.2 Each Party shall act in good faith and use its best endeavours to ensure the fulfilment by it of the conditions precedent in respect of which it bears an obligation to fulfil.

3.3 The conditions precedent herein may not be waived, other than by written Agreement between the Parties.

3.4 If any condition precedent is not fulfilled for any reason whatever and is not waived in terms of Clause 3.3, then: -

3.4.1 This whole Agreement (other than the clauses referred to in Clause 3.1 by which the Parties shall be bound) shall be of no force or effect;

3.4.2 Subject to clause 3.4.3, the Parties shall be entitled to be restored as near as possible to the positions in which they would have been, had this Agreement not been entered;

3.4.3 No Party shall have any claim against the other in terms of this Agreement, except for such claims (if any) as may arise from a breach of the clauses referred to in clause 3.1 or the action or inaction of a Party thereby causing a condition precedent not to be fulfilled.

4. OBLIGATIONS OF THE PARTIES

4.1 Obligations of Kamativi/ ZMDC

4.1.1 Kamativi shall within 30 days of the fulfilment or waiver, to the extent that such can be waived, of the last of the Conditions Precedent provide dump processing rights to the Joint Venture over the Concession Area through a separate Memorandum of Agreement which shall constitute its equity contribution. The said dump processing rights shall provide the Joint Venture Company with the right to use the Concession Area to process the entire Kamativi Tailings Dump, shall give the Joint Venture Company the sole right to process the Kamativi Tailings Dump, shall permit the construction of facilities and accommodation and infrastructure within the Concession Area and guarantee access to the Concession Area and permit the Joint Venture Company to obtain supplies of power and water.

4.1.2 Subject to the availability thereof, ZMDC and Kamativi shall allow the Joint Venture Company the use of infrastructure owned by Kamativi in the Concession Area including, but not limited to mine infrastructure, buildings, roads, rail, power and water supply and warehouses necessary for the Joint Venture Company's activities, in terms of a separate lease Agreement.

4.1.3 If the Joint Venture Company requires the use of infrastructure necessary for its business of processing the Kamativi Tailings Dump to extract Lithium, Tin, Tantalite and various other valuable mineral concentrates to produce a

saleable concentrate, which infrastructure is owned by the Government of Zimbabwe, ZMDC shall use its best endeavours to facilitate the Joint Venture Company in obtaining the right to use such infrastructure, on the terms to be agreed between the Government of Zimbabwe and the Joint Venture Company.

4.1.4 ZMDC shall use its best endeavours to ensure that the Joint Venture Company obtains fiscal, foreign exchange, social, export/import, environment and labour dispensations from the Government of Zimbabwe on no less favourable terms than those currently granted in Zimbabwe and shall assist in obtaining ZIA, SEZ and RBZ approvals and a letter of support from the Government of Zimbabwe to assist in attracting foreign investment into the Project.

4.1.5 ZMDC shall assist, to the extent possible, the Joint Venture Company, in obtaining all necessary licences and permits to undertake the processing of the Kamativi Tailings Dump to extract Lithium, Tin, Tantalite and various other valuable minerals.

4.1.6 ZMDC shall, to the extent possible, assist the Joint Venture Company in obtaining all permissions required for the establishment of such infrastructure as the Joint Venture Company may require, including without limitation, the construction of roads, water and power supply.

4.1.7 ZMDC shall render, to the Joint Venture Company, such support as may be necessary and reasonable in the circumstances, in respect of efforts by the Joint Venture Company to enter into binding agreements with ZESA or any company or authority to guarantee the provision of uninterrupted supply of power to the Concession Area.

4.2 **Obligations of Lintmar or it nominee**

4.2.1 Lintmar or its nominee shall: -

4.2.1.1 subject to ZIA approval, expend no less than five hundred thousand United States Dollars (USD500 000) in undertaking a due diligence

investigation for purposes of confirming & defining the resource of the Kamativi Tailings Dump, measuring approximately twenty-three (23) million tonnes, to extract lithium, tin, tantalite and any other economically viable minerals. Subject to the results of such due diligence confirming the viability of the said resource a further two million five hundred thousand dollars (USD2,500,000) will be provided to undertake a due diligence to determine the most appropriate mining and processing methodology. Such funding shall be provided within the six (6) months from the date of receipt of ZIA approval.

4.2.1.2 subject to ZIA, SEZ and RBZ approval as the case may be and subject to the results of the work undertaken in terms of clause 4.2.1.1 having proven an economically viable resource to be contained in the said tailings dumps, an amount of Twenty nine million five hundred thousand United States dollars (US$29,500,000) funding shall be injected into the Joint Venture company by way of mining equipment, processing equipment, earthmoving equipment, hydro-mining equipment, ancillary equipment, laboratory equipment, housing, buildings and company support vehicles within eighteen months from the granting of all necessary approvals as required in terms of the agreement.

4.2.1.3 subject to the results of both the due diligence exercise detailed in Clause 4.2.1.1 being acceptable by the parties and subject to a lithium beneficiation agreement being concluded permitting the use of the RioZim ENR refinery, Lintmar and or its nominee shall then undertake a Preliminary Economic Feasibility (PEA) Study valued at five hundred thousand United States Dollars (US$500,000) to confirm the suitability of modifying and upgrading the RioZim ENR plant at Eiffel Flats in order that such plant may be used for the beneficiation of the lithium concentrate as contemplated in clause 1.2.23. For the avoidance of doubt, ZMDC/Kamativi shall have the

right of first refusal to partner Lintmar in the refinery of spodumene provided it contributes to the costs thereof in terms of its 40% shareholding.

4.2.1.4 subject to the results of the work undertaken in terms of clause 4.2.1.3 having proven, an economically viable modification and upgrade of the RioZim ENR plant, further funding will, subject to the conclusion of a beneficiation Agreement be obtained to enable the beneficiation of lithium concentrate into LC within Zimbabwe provided that such funding shall not exceed $50 million.

4.2.2 In addition, Lintmar or its nominee shall pay the following commitments fees to ZMDC: -

4.2.3 US$100,000 within ten (10) days of the fulfilment of the last of the conditions precedent and

4.2.4 A further US$100,000 within 6 months after the payment referred to in clause 4.2.3 subject to the positive outcome of the studies to be undertaken in terms of Clause 4.2.1 and Lintmar advising in writing that it intends to continue with the Project; and

4.2.5 A further US$50,000 within 3 months after the payment referred to in Clause 4.2.4 above.; and

4.2.6 Payments of $50,000 per month at the start of the construction phase or 12 months from the anniversary of the payment in terms of clause 4.2.4, whichever is the sooner.

4.2.7 The payments referred to in clause 4.2.5 and 4.2.6 shall terminate when gross revenue from production exceeds a minimum of $50,000 per month.

4.2.8 For the avoidance of doubt, the funding shall be injected into the Joint Venture Company in accordance with the Business Plan, (as read with the Project Milestones), to be crafted, agreed to in writing and signed by the Joint Venture Board. The Business Plan shall form an integral component of the Agreement. The Parties acknowledge that the Business Plan may be reviewed

periodically by the Board, but that any amendments to the Business Plan, shall be made by the Parties in terms of Clause 4.2.9.

4.2.9 For the avoidance of doubt, the Parties agree that the funding obligations of Lintmar or its nominee shall be as detailed in this agreement and the variations and/or amendments to the Business Plan referred to in terms of clause 4.2.8 shall in no way reduce or take away their obligations as recorded in this Agreement, and that such variation and/or amendments shall not be valid, unless reduced to writing and signed by both Parties.

5. SHAREHOLDING STRUCTURE

5.1 It is agreed that ZMDC shall hold 40% of the issued shares in the Company and Lintmar shall hold 60% thereof. It is recorded that the rights of the Parties as Shareholders shall be governed by the agreements entered between them and in the event of ambiguity or omission by the Companies Act Chapter 24:03.

6. SHAREHOLDERS' AGREEMENT

The Parties further agree that they shall, as soon as reasonably possible but not later than sixty (60) days, after the Parties approve the Business Plan meet in good faith to negotiate and execute a Shareholders Agreement in respect of the Joint Venture Company, which shall include but not limited to the following: -

6.1 Restrictions and provisions regarding the disposal and/or alienation and/or encumbrance of Shares;

6.2 The dividend policy of the Joint Venture Company;

6.3 Frequency of Board meetings and quorum requirements with remedy mechanisms for failure to attend board meetings.

6.4 Dispute and deadlock resolution mechanism for resolving disputes that may arise between the Parties in relation to matters covered by this Agreement and the Shareholder's Agreement;

6.5 ZMDC's equity contribution shall be in the manner described in Clause 4.1.1 above.

6.6 Lintmar 's initial equity contribution shall be $33 000 000 as more fully broken down as stated in Clause 4.2 above;

6.7 All loans, including Shareholders' loans, to the Joint Venture Company shall be subject to specific loan agreements;

6.8 A management fee of 3% of the gross revenue shall be payable by the Joint Venture Company to Lintmar or its nominee.

6.9 An ownership and management fee of 2% of the gross revenue shall be payable by the joint venture company to ZMDC or its nominee.

6.10 The Shareholders' Agreement shall also contain provisions that are standard in agreements of this nature and agreed to by the Parties.

7. MONITORING AND MARKETING

7.1 ZMDC shall have an oversight role of the operations and activities of the Joint Venture Company, as such ZMDC shall, from the Commission Date or any other date as may be agreed upon by the Parties in writing, deploy monitors to monitor operations of the Joint Venture Company, the cost of these activities will be borne by ZMDC; and

7.2 The marketing of all minerals that are mined and processed for export by the Joint Venture Company will be undertaken in accordance with the provisions of the MMCZ Act.

7.3 Any change to this marketing policy shall require the unanimous approval of the shareholders of the Joint Venture Company.

8. MANAGEMENT OF THE JOINT VENTURE COMPANY

8.1 The Joint Venture Company shall be managed by a Board of Directors. The Board shall consist of not less than five (5) Members. ZMDC shall be entitled to appoint two (2) Members to the Board whilst Lintmar or its nominee shall appoint three (3) Members to the Board.

8.1.1 ZMDC may not appoint any member to the Board who is named in the OFAC schedule.

8.2 The Board shall manage the business of the Joint Venture Company and may exercise all powers normally exercised by a Board of Directors except such powers as are exercised by the shareholders or in accordance with the provisions of the Articles of

Association and this Agreement. In the event of an equality of votes at any meeting of the Board, the Chairman shall have a casting vote, ie a determining vote.

8.3 Lintmar or its nominee shall designate one of its appointees to the Board as the Chairman of the Board, whilst ZMDC shall nominate the Deputy Chairman of the Board, who shall act as the Chairman in the absence of the Chairman. The Chairmanship shall rotate between the parties after each calendar year.

8.4 It is agreed that Lintmar or its nominee shall have the overall management of the Project.

8.5 It is hereby agreed and recorded that in the recruitment of personnel to fill any vacant position in the Company, preference shall be given to Zimbabwean residents should suitable Zimbabwean residents not be available, the Joint Venture Company will be able to recruit internationally. The Finance and Human Resources Managers to be appointed by the Company shall be nominees of ZMDC who meet the requirements of the Company. The Company shall have no liability for accrued obligations owed by ZMDC to such persons.

8.6 The quorum of the Board shall be three (3) Board Members provided that two (2) Directors from Lintmar or its nominee and one (1) from ZMDC are present.

8.7 All meetings of the Directors of the Joint Venture Company shall be held in accordance with the provisions of the Companies Act [Chapter 24:03] and the Memorandum and Articles of Association of the Joint Venture Company.

8.8 Save and except as herein otherwise specifically provided, any question, resolution and matters whatsoever submitted for decision or action at any meeting of the Board shall be determined by a majority vote of the Directors present.

8.9 The Parties agree that all management systems and reports shall be in English languages and further that all Financial reporting shall comply with International Financial Reporting Standards.

8.10 It is agreed that the provisions in this Clause 8 shall be incorporated into the Shareholders Agreement.

9. DURATION

9.1 This Agreement shall endure for a period of ten (10) years from the Signature Date, or for the period for which the Kamativi Tailings dump can be processed in an economically viable manner, whichever comes first, unless terminated earlier in accordance with the provisions of Clause 23 and/or 24 below.

9.2 It is agreed that the Agreement may be renewed subject to negotiation and agreement between the Parties.

10. INVESTMENT INCENTIVES

10.1 With effect from the date of incorporation of the Joint Venture Company, the Parties undertake to assist the Joint Venture Company to make the requisite application for approval by the Zimbabwe Investment Authority (ZIA) of investment to be made by Lintmar's nominee and for third party loan finance and to enjoy available statutory concessions and incentives; and

10.2 With effect from the date of incorporation of the Joint Venture Company, the Parties undertake to assist the Joint Venture Company to make the requisite application for registration with the Special Economic Zone Board (SEZ) to enjoy available statutory concessions and incentives.

10.3 It is agreed that Lintmar's nominee may be an entity that is not Zimbabwe resident.

11. REGISTRATION OF A COMMUNITY TRUST

11.1 It is recorded that within 6 months of the Joint Venture Company generating nett revenue in excess of US$50,000.00 per month the Joint Venture Company shall cause to be formed a Community Trust as a vehicle for carrying out its corporate social responsibility programmes agreed and funded in terms of the Approved Budget and Business Plan.

12. RELOCATION OF COMMUNITIES AFFECTED BY THE PROJECT

12.1 In the event that there are persons and/or communities residing in the Concession Area who have to be relocated, the Parties agree that: -

12.1.1 The Joint Venture Company shall bear all relocation costs, should it wish to relocate such persons, subject to the agreed Budget and Business Plan of the

Joint Venture Company and shall facilitate such relocation in a dignified and respectful manner, to ensure that the least disruption and economic hardship is experienced by the affected persons.

13. PROJECT TIMELINES

13.1 The Parties acknowledge that time is of the essence in the implementation of the Project, and as such the Parties will agreed to timelines in the Business Plan referred to in clause 3.1.5 hereto and forming an integral component of this Agreement, within which, Project Milestones outlined therein must be achieved.

13.2 The Parties agree that in the event of failure to achieve any of the Project Milestones detailed in the Business Plan, either Party may, without prejudice to their other rights in law, including any right to claim damages, cancel this Agreement after giving thirty (30) days written notice to the defaulting Party, to remedy any such default.

13.3 The obligations of Lintmar in terms of Clause 5.1 shall be subject to the granting of all necessary regulatory approvals for the construction or modification of a beneficiation plant, the granting of import licences for all necessary plant, equipment and materials, and the availability of foreign currency remittances to make payment for the same.

14. SECURITY

The Joint Venture Company shall ensure that adequate security measures compliant with international standards are put in place at the Concession Area prior to commencing with business activities in terms of the Approved Budget and Business Plan.

15. SAFETY HEALTH AND ENVIRONMENT

15.1 The Joint Venture Company shall comply with all applicable environmental, health and safety legislation in Zimbabwe, including but not limited to: -

15.1.1 The Mines and Minerals Act

15.1.2 The Roads and Traffic Act

15.1.3 The Environmental Management Act

15.1.4 The Water Act

15.1.5 The Rural Land Act

15.1.6 The Protection of Wildlife Act

15.1.7 The Parks and Wildlife Act

15.1.8 The Land Survey Act

15.1.9 The Land Acquisition Act

15.1.10 The Agricultural Land Settlement Act

15.1.11 The Companies Act

15.1.12The Zimbabwe Investment Authority Act

15.1.13The Factories Act;

15.1.14 The ZMDC Act

15.1.15 The MMCZ Act

15.1.16The Labour Act

15.1.17 The NSSA Act

15.2 The Joint Venture Company shall, in line with international standards and in compliance with the Laws of Zimbabwe in force from time to time: -

15.2.1 Conduct an Environmental Impact Assessment of the Concession Area for legal compliance and obtain an EIA certificate from EMA before dump processing takes place,

15.2.2 Develop environmental management and degradation mitigation strategies for implementation at the Concession Area, including detailed environmental monitoring plans and ongoing environmental rehabilitation programmes;

15.2.3 Develop and implement a comprehensive health and safety management system at the Concession Area worked by the Joint Venture Company,

provided however that it shall have no responsibility or liability in respect of environmental issues arising or caused prior to the Joint Venture Company taking occupation of the Concession Area

16. EXCLUSIVITY

16.1 Each of the Parties undertake that it shall not, during the tenure of this Agreement, enter into any negotiation or conclude an agreement with any third Party regarding the extraction of minerals from the tailings dump in the Concession Area

16.2 The provisions of this Clause shall apply *mutatis mutandis* to any company, business, firm or partnership over which any of the Parties has direct or indirect control, and each Party undertakes to procure that any company, business, firm or partnership over which it has such control complies with the provisions of this Clause.

17. CONFIDENTIALITY

17.1 Having regards to the fact that each Party has disclosed and may subsequent to the Signature Date, disclose Confidential Information to the other Parties, each Party ("**the receiving Party**") undertakes from and after the Signature Date, not to use, disclose or divulge, directly or indirectly, the Confidential Information of another Party hereto ("**the divulging Party**") to any third Party.

17.2 The receiving Party shall take all such steps as may be reasonably necessary to prevent the divulging Party's Confidential Information falling into the hands of unauthorised third Parties.

17.3 Any documentation or records relating to the divulging Party's Confidential Information which comes into the possession of the receiving Party at any time: -

17.3.1 shall be deemed to form part of the confidential information of the divulging Party;

17.3.2 shall be deemed to be property of the divulging Party;

17.3.3 shall be surrendered, together with any copies thereof, to the divulging Party on demand, and the receiving Party shall not retain extracts therefrom, unless the parties otherwise agree in writing.

17.4 The Parties shall ensure that any of the employees or other persons who may have the opportunity of receiving any of the Confidential Information of the divulging Party are aware of and are bound by the obligations of confidentiality in this Agreement. The Parties agree to use their best endeavours to ensure that such employees or persons shall be bound by this Agreement even after their employment relationship has been terminated.

17.5 The undertaking and obligations contained in Clauses 17.1 to 17.4 do not apply to information which: -

17.5.1 is publicly available at the date of disclosure or there after becomes publicly available from sources other than the Parties;

17.5.2 the receiving Party demonstrates, to the reasonable satisfaction of the disclosing Party, that it was already in its possession prior to its receipt by or disclosure to such receiving Party;

17.5.3 is required by law or any regulatory authority to be disclosed; and

17.5.4 after being disclosed to the receiving Party subsequently comes lawfully into the possession of the receiving Party from a third Party.

18. PARTY GUARANTEES AND INDEMNITIES

18.1 ZMDC hereby irrevocably and unconditionally: -

18.1.1 guarantees and undertakes as a principal and independent obligation in favour of the Joint Venture Company and Lintmar to punctually perform any and all obligations which may be owing from time to time by ZMDC and or Kamativi and/or ZMDC's nominee (if applicable) in terms of or as a result of this Agreement. The debts and obligations of ZMDC and/or its nominee (if applicable) and Kamativi referred to in this clause are hereinafter collectively referred to as "**the ZMDC guaranteed obligations**";

18.1.2 Indemnifies the Joint Venture Company and Lintmar or its nominee against any and all claims, losses, liabilities, damages costs and/or expenses (but excluding any consequential and/or indirect losses, damages and/or costs) which the Joint Venture Company may actually suffer or incur in connection with a breach by ZMDC or its nominee if applicable or Kamativi, of the ZMDC guaranteed obligations.

18.1.3 Indemnifies the Joint Venture Company and Lintmar or its nominee against any and all claims, losses, liabilities, damages costs and/or expenses which are of a historical nature and occurred before the signature date of this agreement provided however that such loss shall not exceed the nett sum received by ZMDC in terms of this Agreement.

18.2 The rights of the Joint Venture Company under this guarantee shall in no way be affected or diminished if the Joint Venture Company at any time obtains additional

suretyships, guarantees, securities or indemnities in connection with the ZMDC guaranteed obligations.

18.3 ZMDC shall use its best endeavours to procure the fulfilment of the guaranteed obligations and shall refrain from taking or permitting to be taken any action which may prevent, hamper or detrimentally affect the fulfilment by ZMDC or its nominee or Kamativi (if applicable) of the ZMDC guaranteed obligations under this Agreement.

18.4 Lintmar hereby irrevocably and unconditionally: -

18.4.1 Guarantees and undertakes as a principal and independent obligation in favour of the Joint Venture Company to punctually perform any and all obligations which may be owing from time to time by an investor and/or the investor's nominee (if applicable), in either case where such party is nominated by Lintmar, in terms of or as a result of this Agreement. The debts and obligations of the Investors referred to in this clause are hereinafter collectively referred to as "**the Lintmar guaranteed obligations**";

18.4.2 Indemnifies the Joint Venture Company and ZMDC against any and all claims, losses, liabilities, damages, costs (including without limitation, legal costs on a scale as between attorney and his own client) and/or expenses (but excluding any consequential and/or indirect losses, damages and/or costs) which the Joint Venture Company and/or ZMDC may actually suffer or incur in connection with a breach by the Investor of the Investor guaranteed obligations provided however that such loss shall not exceed the nett sum received by Lintmar and or its nominees in terms of this Agreement .

18.5 The rights of the Joint Venture Company under this guarantee shall in no way be affected or diminished if the Joint Venture Company at any time obtains additional suretyships, guarantees, securities or indemnities in connection with the Lintmar guaranteed obligations.

19. GOOD FAITH AND FAIR IMPLEMENTATION

19.1 The Parties undertake that in the implementation of this Agreement, they shall observe the utmost good faith and shall not do or omit to do anything, which might prejudice or detract from the rights or interests of the other Parties.

19.2 The Parties further undertake: -

19.2.1 To do whatever may be necessary to enable the reciprocal rights and obligations of the Parties to be exercised.

19.2.2 To use their best endeavours always to procure the effective implementation of this agreement and to cooperate with each other to that end.

19.3 If there are any changes in the laws of Zimbabwe or if other circumstances arise that materially affect any of the rights of the Parties or that render difficult or impractical the implementation of this Agreement in accordance with a strict interpretation thereof the parties shall enter into *bona fide* discussions with a view to alleviating the situation and to reaching mutual written agreement directed at implementing fair and reasonable alternative arrangements;

19.4 If agreement on alternative arrangements cannot be reached, the dispute preventing such agreement shall be resolved in accordance with the dispute resolution provisions of Clause 21.

20. WARRANTIES

20.1 ZMDC/Kamativi hereby warrant that as at the Signature Date and for the duration of this Agreement: -

20.1.1 The dump processing rights granted to the Joint Venture Company in terms of Clause 4.1.1 shall endure in terms of the Mining laws of Zimbabwe for no less than the period of this Agreement and shall accordingly enable the Joint Venture Company to exercise the rights and enjoy the benefits conferred upon it as contemplated in this Agreement;

20.1.2 The Joint Venture Company shall have access to and exercise the rights and powers agreed in terms of Clause 4.1.1 as they relate to the Concession Area;

20.1.3 The Joint Venture Company shall enjoy and exercise the rights over the Concession Area and the rights as they relate to the Concession Area, shall be valid and enforceable by the Joint Venture Company on the terms and conditions upon which the Parties agreed in terms of Clause 4.1.1 and as contemplated in this Agreement;

20.2 The Parties warrant that this Agreement shall be observed and implemented by the Parties in accordance with the terms of the provisions stated herein.

21. DISPUTE RESOLUTION

21.1 Should any dispute disagreement or claim arise between the Parties ("the dispute") concerning this Agreement the Parties shall endeavour to resolve the dispute amicably in the first instance. This entails one of the Parties inviting the other in writing to meet and attempt to resolve the dispute within fourteen (14) days from the date of delivery of the written invitation.

21.2 If the dispute has not been resolved within fourteen (14) days from the date of delivery of the written invitation referred to in clause 21.1 above, then the dispute may be referred, by either Party, to arbitration in terms of the Arbitration Act [Chapter 7:15].

21.3 The Parties shall agree on a single internationally accredited and recognised Arbitrator within seven (7) business days of either Party delivering to the other written notice detailing the issues in dispute and the identity and qualifications of a proposed Arbitrator, failing which the internationally accredited and recognised Arbitrator shall be appointed by the President of the Commercial Arbitration Centre Harare on the written request of either Party which request shall be copied to the other Party..

21.4 The Arbitration shall take place under the auspices of the Harare Commercial Arbitration Centre and subject to the Model Law.

21.5 The seat of the Arbitration shall be Harare, Zimbabwe.

21.6 The proceedings shall be conducted in English Language throughout.

21.7 The decision of the Arbitrator shall be written in logical format setting out the basis on which it is made.

21.8 The Arbitrator shall make his award within thirty (30) days of the final hearing;

21.9 The decision of the Arbitrator shall be final and binding on the Parties.

21.10 Nothing in this clause 21shall preclude a Party from obtaining interlocutory relief, on an urgent basis or other basis, from a court of competent jurisdiction.

22. FORCE MAJEURE

22.1 Should a Party ("affected Party") be prevented from fulfilling any of its obligations in terms of this Agreement as a result of an event of *Force Majeure*, then: -

22.1.1 those obligations shall be deemed to have been suspended to the extent that and for so long as the affected Party is so prevented from fulfilling them and the corresponding obligations of the other Party ("unaffected Party") shall be suspended to the corresponding extent;

22.1.2 the affected Party shall immediately notify the unaffected Party in writing of such event of force majeure and such notice shall include an estimation of the approximate period for which the suspension in terms of clause 22.1.1 shall endure. Such estimate shall not be binding on the affected Party; and

22.1.3 the duration of this Agreement as well as each period within which and each date by which any obligation is required to be performed in terms of this Agreement shall be extended or postponed, as the case may be, by the period of suspension in terms of clause 22.1.1.

22.2 Should the affected Party partially or completely cease to be prevented from fulfilling its obligations by the event of *Force Majeure*, the affected Party shall immediately give written notice to the unaffected Party of such cessation and the affected Party shall fulfil its obligations which were previously suspended; provided that in the event and to the extent that fulfilment is no longer possible or the unaffected Party has given written notice that it no longer requires such fulfilment, the affected Party shall not be obliged to fulfil its suspended obligations and the unaffected Parties shall not be obliged to fulfil its corresponding obligations.

22.3 Should any event of *Force Majeure* continue for more than twelve (12) months after the date of the notice referred to in Clause 22.1.2 and notice of cessation in terms of Clause 22.2 has not been given, then either Party shall be entitled (but not obliged) to terminate this Agreement by giving thirty (30) days written notice to the other Party to that effect; provided that any such notice of termination shall be deemed not to have been given if a notice of cessation in terms of Clause 22.2 is received by the unaffected Party prior to the expiry of such thirty (30) day period.

23. TERMINATION

23.1 This Agreement shall terminate in any one or combination of the following ways:

23.1.1 In terms of clause 3.1 above

23.1.2 By mutual agreement between the Parties in writing; or

23.1.3 By virtue of expiry of the ten (10) year period or resource depletion whichever is sooner as referred to in Clause 9 above.

23.1.4 On account of supervening impossibility in terms of clause 22; or

23.1.5 On account of fundamental breach in terms of Clause 24;

23.1.6 In terms of Clause 13.2 above.

23.2 In the event of premature stoppage for any other reason the rights of the Parties shall be determined in accordance with the Shareholders Agreement and the Companies Act Chapter 24:03.

24. FUNDAMENTAL BREACH

24.1 Should any Party materially breach any provisions of this Agreement and fail to remedy such breach within thirty (30) working days after receiving written notice from the other Party requiring such remedy, then the Party aggrieved by such breach shall be entitled, without prejudice to their other rights in law including any right to claim damages, to cancel this Agreement or to claim immediate specific performance of all of the defaulting Party's obligations the due for performance at the time of breach.

24.2 For the avoidance of doubt and notwithstanding the foregoing, if the breach constitutes repudiation, any Party aggrieved by such breach shall not be required to give notice requesting the remedy thereof, before cancelling this Agreement, without prejudice to their rights in law including right to damages.

25. DOMICILIUM CITANDI ET EXECUTANDI AND NOTICES

25.1 The Parties choose domicilium citandi et executandi (domicilium) for all purposes relating to this Agreement, including the giving of any notice, the payment of any sum, the serving of any process, as follows: -

25.1.1 **ZMDC & KAMATIVI**: -

MMCZ Building

90 Mutare Road
Msasa, Harare
Zimbabwe

25.1.2 **Lintmar:-**

Lintmar Mining (Pvt) Ltd,
223 Leopold Takawira Ave,
Suburbs, Bulawayo
Zimbabwe

25.2 Any Party shall be entitled from time to time, by giving written notice to the others, to vary its physical domicilium to any other physical address (not being a post office box or *poste restante*)

25.3 Any notice given or payment made by any Party to the other ("addressee") which is delivered by hand between the hours of 09:00 hours and 17:00 hours on any business day to the addressee's physical domicilium for the time being shall be deemed to have been received by the addressee at the time of delivery. Delivery outside of such hours shall be deemed to have occurred at 10am on the Business Day immediately following the date of delivery.

25.4 This clause shall not operate so as to invalidate the giving or receipt of any written notice which is actually received by the addressee other than by a method referred to in clause 25.3

26. GENERAL

26.1 **Whole Agreement**

This Agreement constitutes the sole record of the Agreement between the Parties in regard to the subject matter hereof and no Party shall be bound by any express or implied term, representation, warranty, promise or the like not recorded herein. This agreement supersedes all prior Agreements, whether oral or written, between the Parties or any of them in regard to the subject matter hereof.

26.2 **Effect of Amendment and Variation**

No addition to, variation or modification of this Agreement shall be of any force or effect unless such addition variation or modification is done in writing and signed by the Parties.

26.3 **Effect of Indulgences**

No indulgence or extension of time which any Party may grant to any other shall constitute a waiver of or, whether by estoppel or otherwise, limit any of the existing or future rights of the grantor in terms hereof, save in the event and to the extent that the grantor has signed a written document expressly waiving or limiting such right.

26.4 **Successors-in-title to be bound**

Without prejudice to any other provision of this Agreement, any successor-in-title, including any executor, heir, liquidator, judicial manager, curator or trustee, of any Party shall be bound by this Agreement.

26.5 **Effect of signatures**

The signature by any Party of a counterpart of this Agreement shall be as effective as if that Party had signed the same document as all of the other Parties.

26.6 **Cession, transfer or delegation to be by consent**

Save as expressly provided for herein, no Party shall be entitled to cede, assign, transfer, encumber or delegate any of its rights, obligations and/or interest in, under or in terms of this Agreement to any third Party without the prior written consent of the other Parties.

26.7 **Warranty in respect of authority**

The Parties warrant to each other that they are legally competent an authorised to enter into this Agreement.

26.8 **Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the Republic of Zimbabwe in force from time to time.

26.9 **Fair Value in respect of Plant, Equipment and infrastructure**

For the avoidance of doubt, the Parties shall agree specifically on the value of the plant, equipment and infrastructure to be provided by **Lintmar** in terms of this Agreement and any other subsequent Agreement/s. The acquisition of such equipment and infrastructure shall be in accordance with international business best practice.

27. SEVERABILITY

27.1 All provisions of this Agreement are, notwithstanding the manner in which they have been grouped together or linked grammatically, severable from each other.

27.2 Any provision of this Agreement which is or becomes adjudged unenforceable by any court of competent jurisdiction in which it applies or in which its enforcement is sought, whether due to *voidness*, invalidity, illegality, unlawfulness or for any other reason whatever, shall, only to the extent that it is so unenforceable, be treated as *pro non scripto* and the remaining provisions of this Agreement shall remain of full force and effect.

27.3 The Parties declare that it is their intention that this Agreement would be executed without such unenforceable provision if they were aware of such unenforceability at the time of execution hereof.

28. COSTS

Each of the Parties shall bear and pay the costs incurred by it in connection with the negotiation, preparation and execution of this Agreement and each Party agrees that it has participated equally in the drafting of this Agreement and that the rule of interpretation known as the "contra proferentum" rule shall not apply to the interpretation of this Agreement.

SIGNED AT Harare **ON** 02 February **2018**

FOR **Kamativi Tin Mines (Private) Limited**

DAVID EDGAR HOOVER MURAHWA CARI
NAME

Who warrants that he is duly authorised to sign hereto

AS WITNESSES

1 CHIPARO T.C.
NAME

SIGNATURE

2 CRIS CHITAMBIRA
NAME

SIGNATURE

SIGNED AT Harare **ON** 02 February **2018**

FOR: **Zimbabwe Mining Development Corporation**

DAVID EDGAR HOOVER MURANGARI
NAME

Who guarantees that he is duly authorised to sign hereto

AS WITNESSES

1 CRIS CHITAMBIRA
NAME

SIGNATURE

2 CARMEN T.C.
NAME

SIGNATURE

SIGNED AT HARARE **ON** 2nd FEBRUARY **2018**

FOR: **Lintmar Mining (Private) Limited**

JOHN McTAGGART
NAME

Who warrants that he is duly authorised to sign hereto

AS WITNESSES

1 CRIS CHITAMBIRA

NAME

SIGNATURE

2 CHRIS CHITAMBIRA
NAME

SIGNATURE

ANNEXURES

A. Description of Concession Area
B. Memorandum of Agreement
C. Project Term Sheet
D. Project Business Plan and Project Milestones

APPENDIX 3: Letter from Lintmar (Private) Limited to Zimbabwe Mining Development Corporation dated 6th February 2018

LINTMAR MINING (Pvt). Ltd.
P O BOX 2249, # 233 LEOPALD TAKAWIRA AVE,
SUBURBS, BULAWAYO
ZIMBABWE
Tel: |+263 77 5653006

The Chairman,
Zimbabwe Mining and Development Corporation
MMCZ building, 90 Mutare Rd,
Msasa

6 February 2018 **by email**

Dear Sir,

Re: Joint Venture Agreement - ZMDC and Lintmar Mining Private Limited

We refer to the joint venture agreement signed on 3 February 2018 between ZMDC and Lintmar Mining.

Clause 1.2.22 "**Parties**" collectively refers to Kamativi/ZMDC/Lintmar or the respective nominees. Throughout the agreement Lintmar is quoted as "Lintmar and or its nominee".

Pursuant to Clause 26.6 we are seeking ZMDC consent to cede the rights of the agreement to Lintmar's nominee. The nominee is Jimbata (Pvt) Ltd, a locally registered, special purpose vehicle (SPV) for this project. Lintmar has other mining projects which are not part and parcel of the Canadian stock exchange structure. Details of the SPV set out below.

Attached is a draft response, for ease of reference and we ask if you could have this placed on a ZMDC letterhead, signed and returned as soon as possible in order to continue with the Zimbabwe Investment Authority and Reserve Bank approvals.

Company Name:	Jimbata (Pvt) Ltd
Registration Number:	4029/2015
Directors:	J McTaggart and K McNeill
Shareholders:	J McTaggart and K McNeill

Yours sincerely,
for and on behalf of Lintmar Mining

John McTaggart

APPENDIX 4: Letter from Zimbabwe Mining Development Corporation to Lintmar (Private) Limited dated 14th February 2018

ZMDC
ZIMBABWE MINING
DEVELOPMENT CORPORATION
"Unearthing the future"

Telephone : 04-487014-20
Fax : 04-487022 / 159
Your Ref.:
Our Ref.:
HARARE

M.M.C.Z. BUILDING,
90 MUTARE ROAD,
MSASA,
P.O.BOX 4101,

14 February 2018

The Directors,
Lintmar Mining,
 # 233 Leopold Takawira Ave,
Suburbs, Bulawayo.

Dear Sirs,

Re: Joint Venture Agreement ZMDC and Lintmar Mining (Pvt) Ltd

We refer to the Joint Venture Agreement entered into between ZMDC and Lintmar and confirm that we are aware that Lintmar's nominee as referred to in the Agreement shall be Jimbata (Pvt) Ltd.

We hereby confirm our consent to the cession, assignment and transfer by Lintmar to Jimbata of Lintmar's rights, obligations and interests of in terms of the Joint Venture Agreement.

Yours faithfully,

D. H. Murangari,
(Chairman)

APPENDIX 5: Letter from Jimbata (Private) Limited dated 16th February 2018 confirming the cession by Lintmar to Jimbata of Lintmar's interest in and to the Joint Venture Agreement

Jimbata (Pvt) Ltd
8 Park Rd, Suburbs, Bulawayo
+263775653006

Lintmar Mining Private Limited
PO Box 2249, # 233 Leopold Takawira Ave,
Suburbs,
Bulawayo.

Dear Sirs,

Re: Cession of Lintmar's rights to Jimbata

We refer to the Joint Venture Agreement signed between yourselves and ZMDC on the 2 February 2018 for the rights to extract lithium and other minerals from the Kamativi Mine Tailings Dump and the right to appoint a nominee.

We confirm acceptance as the appointed nominee and the cession of Lintmar's rights and interests to Jimbata involving all aspects of the Joint Venture Agreement. Please find attached Board Resolution 180205/01 accepting the cession of rights.

Yours sincerely,

John McTaggart
(Managing Director)

APPENDIX 6: Board Resolutions of Lintmar and Jimbata

AN EXTRACT FROM THE MINUTES OF A MEETING OF THE BOARD OF DIRECTORS OF JIMBATA (PVT) LTD ON THE 5th DAY OF February 2018

Resolution # 180205/01

IT WAS RESOLVED

That Jimbata (Pvt) Ltd would accept the cession, assignment and transfer of Lintmar's rights, obligations and interests in terms of the Joint Venture Agreement as Lintmar's appointed nominee.

This is certified to be a true extract from the Minutes of a Meeting of the Board of Directors.

J McTaggart.

Managing Director - Mr. J. McTaggart

Director - Mr. B. Beckley

LINTMAR MINING (PRIVATE) LIMITED

MINUTES OF THE SHAREHOLDERS MEETING HELD IN BULAWAYO ON THE 5TH FEBRUARY 2018

PRESENT

JB McTaggart – Shareholder

KB MacNeill – Shareholder

IT WAS RESOLVED

That the Company cede to Jimbata Private Limited the Company's rights, title and interest in and to the Joint Venture Agreement entered into by the Company with the Zimbabwe Mining Development Corporation and Kamativi Tin Mines Private Limited.

There being no further business, the meeting was closed.

_____ _____

(Chairman) (Shareholder)

Dated: 5th February 2018

APPENDIX 7: Subscription Agreement entered into between Zimbabwe Lithium Company, Jimbata (Private) Limited, Kevin MacNeil and John McTaggart dated the 5th day of March 2018

SHARE SUBSCRIPTION AGREEMENT

BETWEEN

ZIMBABWE LITHIUM COMPANY LIMITED

JIMBATA (PRIVATE) LIMITED

KEVIN MACNEILL

JOHN MCTAGGART

This Agreement is made between:

(1) **ZIMBABWE LITHIUM COMPANY LIMITED**, a company with limited liability, registered in accordance with the laws of Mauritius Islands under registration number 150001 ("**ZLC"**)

(2) **JIMBATA (PRIVATE) LIMITED**, a company with limited liability, registered in accordance with the laws of Zimbabwe under registration number 4029/2015 ("**the Company"**);

(3) **KEVIN MACNEILL** an adult male with Zimbabwe work permit Number 9301/13 and resident of South Africa with Canadian Passport number HP917249 ("**KM"),**;

(4) **JOHN MCTAGGART**, an adult male resident of Zimbabwe with Zimbabwean National Identification number 63-709426A00 ("**JM"**);

WHEREAS

a) The Company has taken cession and assignment of the rights of Lintmar (Private) Limited in respect of an Agreement entered into with Zimbabwe Mining Development Corporation ("ZMDC") and Kamativi Tin Mines (Private) Limited ("the JV Agreement") to take representative samples of and to determine the composition of the Kamativi Tin Mines Tailings Dumps and, subject to the satisfactory outcome of such sampling and determination, to process the said Dumps to extract lithium and other metals.

b) The Parties wish to record the terms upon which ZLC will subscribe for shares in the Company.

c) The Authorised Share Capital of the Company is 2,000 Ordinary Shares of US$1,00 each, of which 100 have, as at the date of last signature hereof, been issued and are held by KM and JM.

d) The Authorised Share Capital will be converted so that the shares issued as at the date hereof will be Non-Voting, Non-Dividend B Class Shares and the remaining 1900 Voting and Dividend Bearing A Class Shares will be subscribed for by ZLC, and the Company will allot and issue to ZLC 1,900 Voting and Dividend Bearing A Class Shares ("the Subscription Shares") being 100% of the Voting and Dividend Bearing Shares in the Company.

e) ZLC, KM, JM and the Company enter into this Agreement to detail and record the terms upon which and the conditions subject to which ZLC will subscribe for the Subscription Shares and KM and JM waive all pre-emptive rights in respect thereof.

NOW THEREFORE IT IS AGREED THAT:

1. INITIAL SUBSCRIPTION

ZLC shall, within 5 business days of the date of last signature hereof, make payment to the Company in the sum of US Dollars 500,000 (Five Hundred Thousand United States Dollars) which payment shall entitle ZLC to:

1.1 Appoint three directors to the Board of the Company.

1.2 Subscribe for 200 Subscription Shares upon receipt of the necessary regulatory approvals from either the Zimbabwe Investment Authority or the Reserve Bank of Zimbabwe.

2. OBLIGATIONS OF THE COMPANY IN RESPECT OF THE INITIAL SUBSCRIPTION.

2.1 Upon receipt of US Dollars 500,000 (Five Hundred Thousand United States Dollars) from ZLC and upon receipt of the necessary regulatory approvals from either the Zimbabwe

Investment Authority or the Reserve Bank of Zimbabwe, the Company shall allot 200 Subscription Shares to ZLC;

2.2 The Company shall utilise the payment made by ZLC in terms of Clause 1 to undertake a due diligence of the Kamativi Tin Mines Tailings Dump for purposes of confirming & defining the resource of the Kamativi Tin Mines Tailings Dumps and the existence extractable lithium, tin, tantalite and any other economically viable minerals.

2.3 The Company shall undertake the work detailed in Clause 2.2 without delay upon receipt by the Company of the payment due in terms of Clause 1.

2.4 The Company shall appoint technical experts acceptable to ZLC to undertake the work detailed in Clause 2.2 and shall make available to ZLC all technical reports received in respect of the work so undertaken.

2.5 The Company shall subscribe for and obtain 60% of the issued share capital in the Joint Venture Company – Kamativi Tailings Company (Private) Limited established in terms of the JV Agreement.

2.6 The Company shall enter into a Shareholders Agreement acceptable to ZLC in respect of the Company's shareholding in Kamativi Tailings Company (Private) Limited.

The Company shall undertake the conversion of its Share Capital to 100 Non-Voting Non-Dividend B Class Shares 1900 Voting and Dividend Bearing A Class Shares.

3 SECOND SUBSCRIPTION

Upon the due diligence to be undertaken in terms of Clause 2 establishing, in the opinion of the Company, the existence of economically viable resources by way of lithium tin, tantalite and other minerals with in the Kamativi Tin Mines Tailings Dump that are capable of being extracted, and within 3 months of receipt of Zimbabwe Investment Authority approval therefore, ZLC shall make payment to the Company in a further sum of US1,500,000 (One Million Five Hundred Thousand United States Dollars) which payment shall entitle ZLC to subscribe for a further 600 Subscription Shares.

4 OBLIGATIONS OF THE COMPANY IN RESPECT OF THE SECOND SUBSCRIPTION

4.1 The Company shall utilise the payment made by ZLC in terms of Clause 3 to undertake a technical review to determine the most appropriate mining and processing methodology to extract lithium, tin, tantalite and any other economically viable minerals from the Kamativi Tin Mines Tailings Dump.

4.2 The Company shall undertake the work detailed in Clause 4.1 without delay upon receipt by the Company of the payment due in terms of Clause 3.

4.3 The Company shall appoint technical experts acceptable to ZLC to undertake the work detailed in Clause 4.1 and shall make available to ZLC all technical reports received in respect of the work so undertaken.

5 THIRD SUBSCRIPTION

Upon the technical review to be undertaken in terms of Clause 4 establishing, in the opinion of the Company, the economic viability of extracting lithium tin, tantalite and other minerals from the Kamativi Tin Mines Tailings Dumps, and within 18 months of receipt of Zimbabwe Investment Authority approval therefore, ZLC shall make payment to or on behalf of the Company of a further sum of US31,000,000 (Thirty One Million United States Dollars) which payment shall entitle ZLC to subscribe for the remaining 1,100 Subscription Shares.

6 OBLIGATIONS OF THE COMPANY IN RESPECT OF THE THIRD SUBSCRIPTION

6.1 The Company shall utilise the payment made by ZLC in terms of Clause 5 to undertake the establishment by Kamativi Tailings

Company (Pvt) Ltd of an operational processing facility to extract lithium, tin, tantalite and any other economically viable minerals from the Kamativi Tin Mines Tailings Dump.

6.2 The Company shall undertake the work detailed in Clause 6.1 without delay upon receipt by the Company of the payments due in terms of Clause 5.

6.3 The Company shall appoint technical experts acceptable to ZLC to undertake the work detailed in Clause 6.1.

6.4 The Company shall undertake such increase in its Share Capital as may be determined by ZLC.

7 RESTRAINT

The Company, KM and JM shall not, during the Period of this Agreement, permit the allotment to or the transfer of shares in the Company to any person or entity other than ZLC save with the prior written consent of ZLC.

KM and JM confirm that they have no claim upon the Subscription Shares.

8 TERMINATION

8.1 This Agreement may be terminated by the written agreement of the Parties.

8.2 In the event of any termination of this Agreement pursuant to this Clause 5, no Party shall be liable or have any other obligations to the other under this Agreement, provided, however, that such termination shall not relieve any party for any prior breach of this Agreement.

9. WARRANTIES

The Company hereby warrants to and in favour of ZLC that;

9.1. The Company will comply with all internal processes and the provisions of all legislation required to give effect to this Agreement and to allot the shares to ZLC.

9.2 The unissued shares of the Company are under the control of the Directors and are free of any encumbrance, option, lien, or other commitments.

9.3 The issued share capital of the Company is as recorded in the preamble to this Agreement and that no further shares will have been issued and no rights or options whatsoever will have been granted to

any person or persons in respect of the issued or unissued share capital of the Company prior to the date of last signature of this Agreement.

10. GENERAL

10.1 No Party hereto shall cede, assign, delegate or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the other Party.

10.2 The Agreement constitutes the entire agreement between the Parties in respect of the subject matter of this Agreement and supersedes and replaces all other agreements, representations or warranties between the Parties pertaining to the subject matter contained in the Agreement, which will no longer be binding on the Parties as from the date of last signature hereof.

10.3 No amendment or modification to this Agreement shall be effective unless in writing and signed by authorised signatories of all Parties.

10.4 No latitude, granting of time or forbearance of a Party hereto regarding the performance of another Party shall be or be deemed to be a waiver of any term or condition of this Agreement and no waiver of any breach shall operate a

waiver of any continuing or subsequent breach. No waiver shall be effective unless it is expressly stated in writing and signed by the Party giving it.

10.5 Each Party shall be responsible for its own legal and other costs relating to the negotiation of this Agreement and each Party confirms that it has participated equally in the drafting of this Agreement.

10.6 If a provision of this Agreement is reasonably capable of an interpretation which would make that provision valid and enforceable and an alternative interpretation that would make it void, illegal, invalid or otherwise unenforceable, then that provision shall be interpreted, so far as is possible, to be limited and read down to the extent necessary to make it valid and enforceable.

10.7 If the whole or any part of a provision of this Agreement is void or voidable by any Party or unenforceable or illegal, the whole or that part (as the case may be) of that provision, shall be severed, and the remainder of the Agreement shall have full force and effect, provided such severance does not alter the nature of the Agreement between the Parties.

10.8 This Agreement may be executed in any number of counterparts (including faxed or scanned counterparts) and

all such counterparts taken together shall be deemed to constitute one and the same instrument.

10.9 No rule of construction that an agreement shall be interpreted against the Party responsible for its drafting or preparation shall apply to this Agreement.

10.10 The Parties undertake to do all such things, perform all such acts and take all steps to procure the doing of all such things and the performance of all such acts, as may be necessary or incidental to give or conducive to the giving of effect to the terms, conditions and purpose of this Agreement.

11. DEFAULT

In the event of any Party being in default and failing to remedy such default within seven (7) days of delivery of written notice from another Party requiring it to remedy such default, the Party giving such notice may by way of written notice either cancel this Agreement or enforce it, and in either case claim damages.

12. NOTICES AND DOMICILIA

12.1 The Parties hereby choose domicilium citandi et executandi ("Domicilium") for all purposes under this Agreement the following physical addresses:

ZIMBABWE LITHIUM COMPANY LIMITED
1st Floor, Bld B, Nautica Commercial Centre, Royal Rd
Black River, Mauritius.

JIMBATA (PRIVATE) LIMITED
Number 233 Leopold Takawira Avenue, Suburbs,
Bulawayo, Zimbabwe.

KEVIN MCNEILL
13 Sandy Lane, Carribean Beach Estate, Simon Bekker Dr,
Kosmos, Brits 0261. South Africa

JOHN MCTAGGART
Falcon College, Esigodini
Zimbabwe

12.2 Any Party may, by written notice to the other Parties, change its Domicilium to any other physical address in Zimbabwe or Mauritius provided that such change shall take effect 14 (fourteen) calendar days after delivery of such written notice.

12.3 Notice will be deemed given on the date of delivery if delivered by hand to a responsible person during Business Hours to the designated physical address. In the event of delivery to a responsible person outside of business hours

delivery shall be deemed to have occurred at 10 am on the immediately following business day.

12.4 Notwithstanding anything to the contrary stated above, if a notice or communication is received by a Party, adequate notice or communication shall have been given, even though it was not delivered in a manner described above.

13. ARBITRATION

Any dispute, including any question regarding the existence, scope, validity, or termination of this Agreement (and including any civil law or statutory Claims) which is not otherwise resolved between the parties shall be determined by the appointment of a single arbitrator to be agreed between the parties, or failing agreement within 14 days after any party has given to the others a written request to concur in the appointment of an arbitrator, by an arbitrator to be appointed by the Commercial Arbitration Centre in Harare. The seat of the arbitration shall be Harare. The arbitration shall be governed by the Uncitral Rules. In relation to any such arbitration it is agreed that:

a) the arbitration proceedings shall be conducted in the English language and the arbitration award shall be in English the arbitration award shall be final and binding on the parties and shall be entered into any court having jurisdiction thereof; and

b) the arbitration award shall be in lieu of any other remedy which might otherwise be available to the parties;

c) nothing in this Clause shall however prevent a Party approaching a court of competent jurisdiction for urgent or injunctive relief;

d) the construction validity and performance of this Agreement shall be governed by the laws of Zimbabwe.

Signed at Black River, Mauritius on the 5th day of March 2018

SIGNED by for and on behalf of ZIMBABWE LITHIUM COMPANY LIMITED duly authorised.

DocuSigned by:
FD5A4BE4A1D44E5...

Director Signature

DocuSigned by:
Johann Strauss
16BE19C9D87C430...

Director Signature

Signed at BULAWAYO on the 5 day of MARCH 2018

SIGNED by for and on behalf of JIMBATA (PRIVATE) LIMITED

DocuSigned by:
Bruce Beckley
E5F0D18F0BF64C5...

Signature

Signed at Toronto on the 5 day of March 2018

SIGNED KEVIN MCNEILL

DocuSigned by:
Kevin Macneil
3B31851FBD474A2...

Signature

Signed at Harare, Zimbabwe on the 5th day of March 2018

SIGNED JOHN MCTAGGART

DocuSigned by:
John McTaggart
04DFE797B7EF4EE...

Signature

APPENDIX 8: Certificate of Incorporation, CR14 form and Share certificates of Kamativi Tailings Company (Pvt) Ltd.

No. 328/2018

Receipt no: 90210048 ORIGINAL COPY
$20

№ 149836

ZIMBABWE

Certificate of Incorporation

I hereby certify that KAMATIVI TAILINGS COMPANY (PRIVATE) LIMITED

is this day incorporated under the Companies Act [Chapter 24:03] *and that the Company is Limited.*

Given under my Hand and Seal at BULAWAYO

this 16TH *day of* FEBRUARY, *20* 18

REGISTRAR OF COMPANIES BULAWAYO

Registrar of Companies

Printed by Printflow (Private) limited, Harare

Form C1.

ZIMBABWE

Form No. C.R. 14

Section 187 and 330 of Act
Section 27 of Regulations

REGISTRAR OF COMPANIES
CEX 5
16 FEB 2018
P.O. BOX 214, BULAWAYO
ZIMBABWE

USD 20
9021048
15/02/18

No of Company: 328/2018

THE COMPANIES ACT

(CHAPTER 24:03)

Particulars (a) of Register of Directors and Secretaries
And of any changes therein

Or

A List (a) of Directors and Principal Officer of a Foreign Company

Name of Company: KAMATIVI TAILINGS COMPANY (PRIVATE) LIMITED

To the Registrar of Companies: BULAWAYO

Presented for filing by: BECKLEY & ASSOCIATES CHARTERED ACCOUNTANTS
PO BOX 2249
BULAWAYO

15 FEB 2018

Particulars (a) of Directors and Secretaries/Principal Officers

KAMATIVI TAILINGS COMPANY (Private) Limited

AND ANY CHANGES THEREIN

1. Date of Appointment (a)	*2. Present Christian Names and Surnames (b)*	*3. Nationality (c)*	*4. Any Former Names (d)*	*5. Full Residential or Business Address and Postal Address (e)*	*6. Particulars of other Directorship (f)*	*7. Nature of Change (g)*	*8. Date of Change (h)*	*9. Date Company Notified of change (I)*
Date of Incorporation	BRUCE MAURICE BECKLEY ID NO 08-699031 S00	Zimbabwean	-	233 LEOPOLD TAKAWIRA, SUBURBS BULAWAYO	NIL	New Appointment	Date of Incorporation	Date of Incorporation
Date of Incorporation	JOHN BRIAN McTAGGART ID NO 63-7094266 A00	Zimbabwean	-	233 LEOPOLD TAKAWIRA, SUBURBS, BULAWAYO	NIL	New Appointment	Date of Incorporation	Date of Incorporation
Date of Incorporation	DAVID EDGAR HOOVER MURANGARI ID NO 63-366558 S 75	Zimbabwean	-	1595 BAUHINA ROAD WESTGATE, HARARE	NIL	New Appointment	Date of Incorporation	Date of Incorporation
Date of Incorporation	CRISPEN CHINAMANO CHITAMBIRA ID NO 63-047348 A27	Zimbabwean	-	38 DOVER ROAD, CHISIPITE HARARE	NIL	New Appointment	Date of Incorporation	Date of Incorporation
Date of Incorporation	JAMES PATERSON ARTHUR UK PASSPORT NO 518137880 **Secretaries (d) Principal Officer(e)**	British	-	UNIT 11 OF 88 DENNIS ROAD, ATHOLL SANDTON, 2196, JOHANNESBURG, SOUTH AFRICAN	NIL	New Appointment	Date of Incorporation	Date of Incorporation
Date of Incorporation	BECKLEY & ASSOCIATES CHARTERED ACCOUNTANTS	-	-	233 LEOPOLD TAKAWIRA, SUBURBS BULAWAYO	NIL	New Appointment	Date of Incorporation	Date of Incorporation

NOTES

(a) *A complete list of the existing directors should always be given.*

(b) *This date should always be shown, whether or not it is in respect of an old or new appointment.*

(c) *In case of a foreign company, if the director is a corporate body, its name and the situation of its principal officer must be shown.*

(d) *In the case of the secretary being a corporate body, the name and the situation of its registered office must be given .*

(e) *In the case of the principal officer being a corporate body or partnership , the corporate or partnership name must be shown ,*

(f) *and if it is a partnership , all the names of the partners must be given .*

(g) *In the case of an individual , if he is a director of any other company registered in this country , the name of every such company must be entered .This applies only in respect of new appointees.*

(h) *State " Resigned , ":Retired ", "Died" or as the case may be ,In the case of new appointment since the last list was filed .It must be stated here in whose place or whether additional .*

(i) *Give the date of the occurrence referred to in the previous columns, Both columns 8 and 9 musty be completed in the event of a change.*

(j) *This is regarded as the effective date of the entry in the register.*

Signed Director/Secretary /Principal Officer

This 12TH Day of FEBRUARY 2018

APPENDIX 9: Letter from lawyers as of the 9th of March 2018

GILL, GODLONTON & GERRANS

LEGAL PRACTITIONERS

ATTORNEYS, NOTARIES & CONVEYANCERS
PATENT & TRADEMARK AGENTS
EXECUTORS & ADMINISTRATORS OF
ESTATES

IN REPLY PLEASE QUOTE
OUR REF: Mrs Brighton
YOUR REF

BEVERLEY COURT
100 NELSON MANDELA AVENUE
HARARE, ZIMBABWE
P.O. Box 8 or Box 235 HARARE
FAX: (+263 4) 707380
E-MAIL: ggg@ggg.co.zw
WEB-SITE: www.ggg.co.zw
TELEPHONES: (263 4) 707023-7
708094-9
705528-30/34
707224-8
707686-9

9 March 2018

The Chairman
Chimata Gold Corp
202 - 905 West Broadway,
Vancouver BC,
V5Z 1K3

Dear Sirs,

Re: ZIMBABWE LITHIUM COMPANY

We have been asked to detail the rights of the above Company in respect of the envisaged transaction to extract lithium and other minerals from the Kamativi Mine Tailings Dump.

In this regard we have been furnished with the following documents namely:

1. Joint Venture Agreement entered into between the Zimbabwe Mining Development Corporation, Kamativi Tin Mines (Private) Limited and Lintmar (Private) Limited dated the 2nd of February 2018.

2. Letter from Lintmar (Private) Limited to Zimbabwe Mining Development Corporation dated 7th February 2018, letter from Zimbabwe Mining Development Corporation to Lintmar (Private) Limited dated 14th February 2018 and letter from Jimbata (Private) Limited dated 16th February 2018 confirming the cession by Lintmar to Jimbata of Lintmar's interest in and to the Joint Venture Agreement and the agreement to such cession by the Zimbabwe Mining Development Corporation together with the acceptance

by Jimbata of such cession and the relevant Board Resolutions of Lintmar and Jimbata.

3. Subscription Agreement entered into between Zimbabwe Lithium Company, Jimbata (Private) Limited, Kevin MacNeil and John McTaggart dated the 5th day of March 2018 in respect of the subscription by Zimbabwe Lithium Company for 100% of the A Class Shares in Jimbata (Private) Limited.

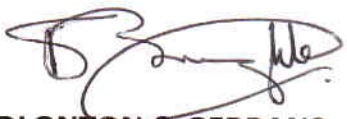
4. Certificate of Incorporation, CR14 form and Share certificates of Kamativi Tailings Company (Pvt) Ltd.

We advise that the documents detailed above:

1. Confirm that Jimbata (Private) Limited has the right, subject to the terms of the Joint Venture Agreement, to subscribe for 60% of the Shares in the Joint Venture Company, namely Kamativi Tailings Company (Pvt) Ltd, and has subscribed for such shares.

2. Provide the Zimbabwe Lithium Company with the right, subject to it obtaining Zimbabwean Exchange Control approval or Zimbabwe Investment Authority approval therefore, to hold 100% of the A Class Voting and Dividend Bearing Shares in Jimbata (Private) Limited.

Yours faithfully,



GILL GODLONTON & GERRANS

APPENDIX 10: Chimata Gold Corp. press release dated February 14, 2018

#202 – 905 West Broadway, Vancouver, BC V5Z 4M3
TSX.V – CAT

CHIMATA GOLD CORP SIGNS BINDING LETTER OF INTENT WITH ZIMBABWE LITHIUM COMPANY LIMITED WHOSE WHOLLY OWNED SUBSIDIARY HAS RECENTLY BEEN GRANTED EXCLUSIVE DEVELOPMENT RIGHTS FOR THE KAMATIVI LITHIUM TAILINGS DEPOSIT IN ZIMBABWE

Vancouver, BC February 14, 2018 - Chimata Gold Corp. (TSX.V: CAT) ("**Chimata**" or the "**Company**") is pleased to announce that it has entered into a binding letter of intent (the "**LOI**") with Zimbabwe Lithium Company (Mauritius) Limited ("**Zimbabwe Lithium**", or "**ZIM**"), a privately held company incorporated under the laws of Mauritius. Pursuant to the terms of the LOI, Chimata will subscribe to the share capital of ZIM for an initial subscription of 19% of ZIM's share capital in exchange for the allocation by Chimata of an amount of shares representing 19% of its then issued and outstanding share capital to ZIM, such amount being calculated post closing of the Concurrent Financing, as defined below, with right to further acquire the remaining issued and outstanding share capital of ZIM upon the fulfilling of certain terms and conditions as set out in the LOI, the whole resulting in ZIM becoming a subsidiary of Chimata (the "**Transaction**"). ZIM will be focused on developing lithium mining properties and assets located in Zimbabwe (the "**Assets**") held by ZIM and related companies wholly owned by ZIM's principals, one of which having recently signed a joint-venture agreement with the Zimbabwe Mining Development Corporation ("**ZDMC**") with respect to the grant of exclusive development rights for the Kamativi lithium tailings deposit at the Kamativi Tin mine, Matabeleland North Province, Zimbabwe. This tailings stockpile has been surveyed to give an estimated 23,168,000 metric tonnes of historical tailings material on surface.

About the Transaction

Closing and final acceptance of the contemplated Transaction is subject to various terms and conditions comprised of, but not limited to, the completion of a satisfactory due diligence of the Assets by Chimata and the entering into a definitive agreement (the "**Definitive Agreement**") between Chimata and ZIM.

In order to finance the contemplated Transaction, Chimata will complete a non-brokered private placement of up to two million canadian dollars (CAD$2,000,000) (the "**Concurrent Financing**") by the issuance of units of Chimata (each a "**Unit**") at a price of $0.15 per Unit, each Unit being comprised of one common share in the share capital of Chimata and one half common share purchase warrants (each a "**Warrant**"), each full Warrant entitling its holder to purchase one common share in the share capital of Chimata at a price of $0.25 per common share for a period of 12 months. A finder's fee of six percent (6%) may be payable in cash on the Concurrent Financing to registered market dealers.

The entering into the Definitive Agreement is also subject to the production by ZIM of a technical report prepared in accordance with the provisions of NI 43-101 – *Standards of Disclosure for Mineral Projects* (the "**Technical Report**") on the Project, as this term is defined below, given that such Technical Report is satisfactory to Chimata.

As of this date, Chimata has an exclusive right to complete the Transaction with ZIM. The Company will provide further updates regarding the contemplated Transaction within 30 days following the issuance of this press release.

In commenting about the Transaction, Mr. Groome, Chairman of Chimata, said, "We are encouraged and excited by the recent changes in Zimbabwe. We believe that these changes signal an important investment opportunity. Zimbabwe is very rich in mineral assets and remains, in my opinion, one of the most attractive destinations in Africa. We look forward to working with the Zimbabwe Government, ZMDC and our operating partners at ZIM in building a rapidly emerging capital efficient lithium supplier to the world".

Mr. John McTaggart, Managing Director of Zimbabwe Lithium, commented, "We are very pleased to have on board a partner in Chimata. In particular, during this very important and dynamic transition period in Zimbabwe, we would like to thank the Government of Zimbabwe, the Honourable Minister of Mines & Mining Development, our partners at ZMDC and all stakeholders that have worked with us to bring this project to its current stage".

About the Kamativi Mining Assets

The Kamativi Tailings Lithium Project (the "**Project**") is located outside the village of Kamativi in Matabeleland North Province, Zimbabwe. The Project, which is identified as a tailings deposit associated with the disused Kamativi tin mine, is located approximately 185 kilometres east-south-east of Victoria Falls, approximately 84 km by tar road east of Hwange and approximately 310 km northwest of Bulawayo.

Alain Moreau, a "*qualified person*" as defined by NI 43-101 – *Standards of Disclosure for Mineral Projects* has approved the scientific and technical disclosure in this press release.

ON BEHALF OF THE BOARD

Richard Groome
Chairman and Interim President and CEO

Further information regarding the Company can be found on SEDAR at www.SEDAR.com, or by contacting the Company directly at (604) 674-3145.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release

We seek safe harbor