

## **American Pacific Borate and Lithium to commence confirmatory drilling program for the Fort Cady Borate and Lithium Project**

- **23 hole, 9,500m drilling program to commence in August 2017**
- **Key objectives are:**
  - **Define a JORC Compliant Mineral Resource Estimate**
  - **Test open areas of the sub basin to the north west of the known colemanite horizon**
  - **Test for lithium-enriched brines in the Hector Lithium Exploration Project**
  - **Test the geotechnical stability for the potential to target high grade zones in an underground conventional mine**
  - **Prepare production wells for pilot-scale test work and optimisation of boric acid and lithium recoveries**
- **Work program to build on existing 33 historic drill holes**
- **Program expected to be completed to enable the finalisation and release of a Scoping Study by the end of Calendar Year 2017**

American Pacific Borate and Lithium ("APBL", **ASX: ABR**) is pleased to advise it has commenced preliminary activities in readiness for the commencement of a 23 drill hole program on its Fort Cady Borate and Lithium Project ("Fort Cady Project"). The drill hole program is expected to commence in August 2017 to enable the finalisation and release of a Scoping Study by the end of the current Calendar Year.

The Company is also pleased to advise it has established its Californian head office and has commenced assembling a team to enable it to complete its drilling program and Scoping Study by the end of the current Calendar Year.

### **American Pacific Borate and Lithium Managing Director & CEO Michael Schlumpberger said:**

*"We are focused on capitalising on the extensive historical activities completed at our Fort Cady Borate and Lithium Project. This unique position allows us to focus upon our target of quickly delivering a JORC compliant Resource that will enable us to complete and release a Scoping Study. We believe the Scoping Study is very important, as we expect it will demonstrate compelling financial metrics."*

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#### **COMPANY DIRECTORS**

Harold (Roy) Shipes - Non Executive Chairman

Michael X. Schlumpberger - Managing Director & CEO

Anthony Hall - Executive Director

Stephen Hunt - Non Executive Director

John McKinney - Non Executive Director



#### **ISSUED CAPITAL**

169.6 million shares

14.0 million options

#### **REGISTERED OFFICE**

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## Historical activities highlight development opportunity

The Fort Cady Project can quickly be advanced to construction ready status due to the large amount of historical drilling, downhole geophysics, metallurgical test work, pilot plant operations and feasibility studies completed from the 1980's to early 2000's. 33 resource drill holes and 17 injection and production wells were previously completed and used for historical mineral estimates, mining method studies and optimising the process design. Financial metrics were also estimated which provided the former operators encouragement to commence commercial-scale permitting for the Project. The Fort Cady Project was fully permitted for construction and operation in 1994. The two key land use permits and Environmental Impact Study remain active and in good standing. Pilot plant activities can also commence immediately.

## Planned activities for fast-tracking development of the Fort Cady Project

APBL is planning on conducting the following activities over the remainder of 2017. These activities are focused on expediting development studies so the Fort Cady Project is construction ready in 2H 2018:

- A total of 23 drill holes, for 9,500m, using a combination of open hole percussion, reverse circulation (RC) and diamond drilling (DD) (*Figure 1*).
- The key objectives of the drilling programme are to:
  - Define a JORC Compliant Mineral Resource Estimate
  - Test open areas of the sub basin to the north west of the known colemanite horizon
  - Test for lithium-enriched brines in the Hector Lithium Exploration Project
  - Test the geotechnical stability for the potential to target high grade zones in an underground conventional mine
  - Prepare production wells for pilot-scale test work and optimisation of boric acid and lithium recoveries

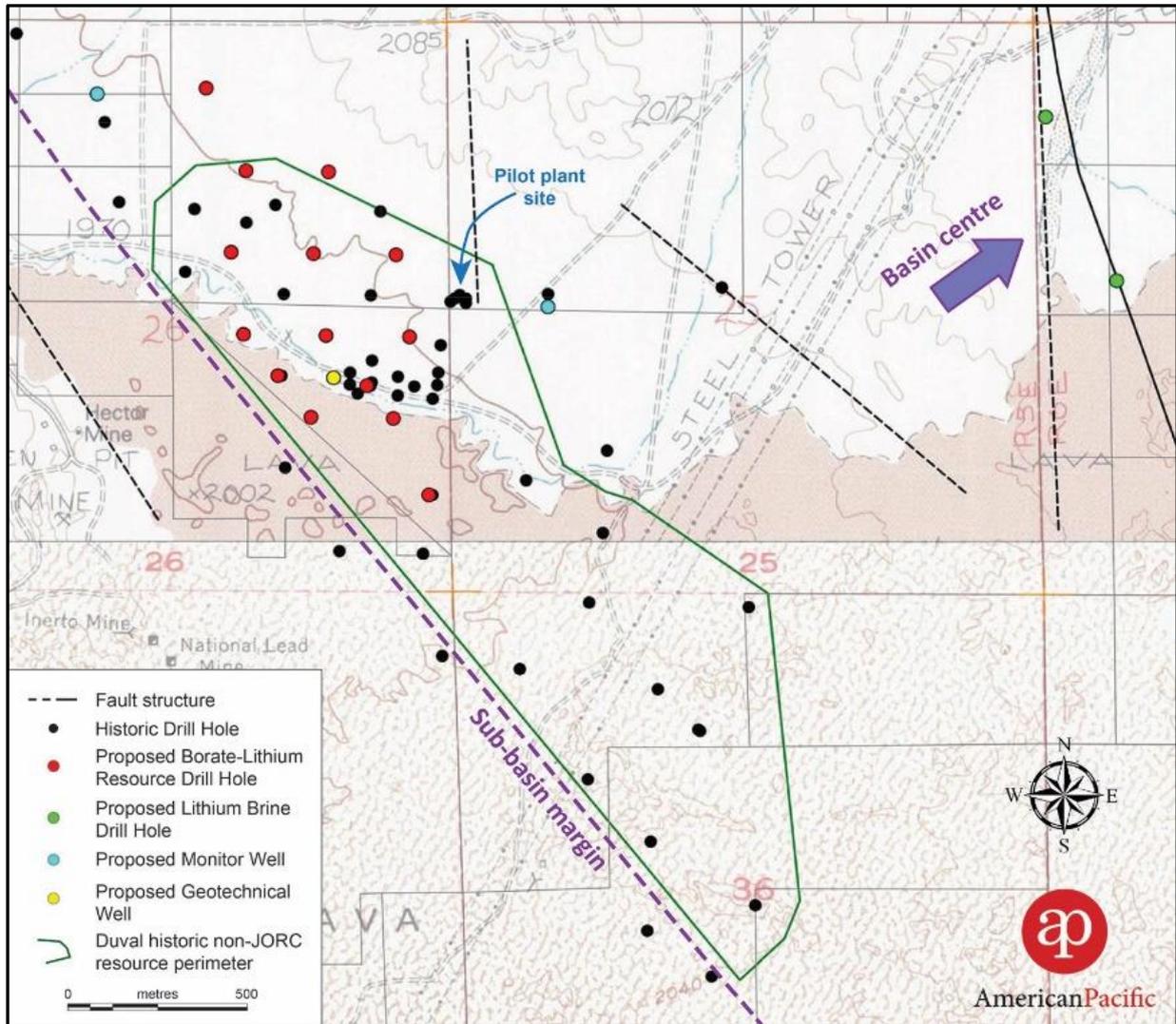
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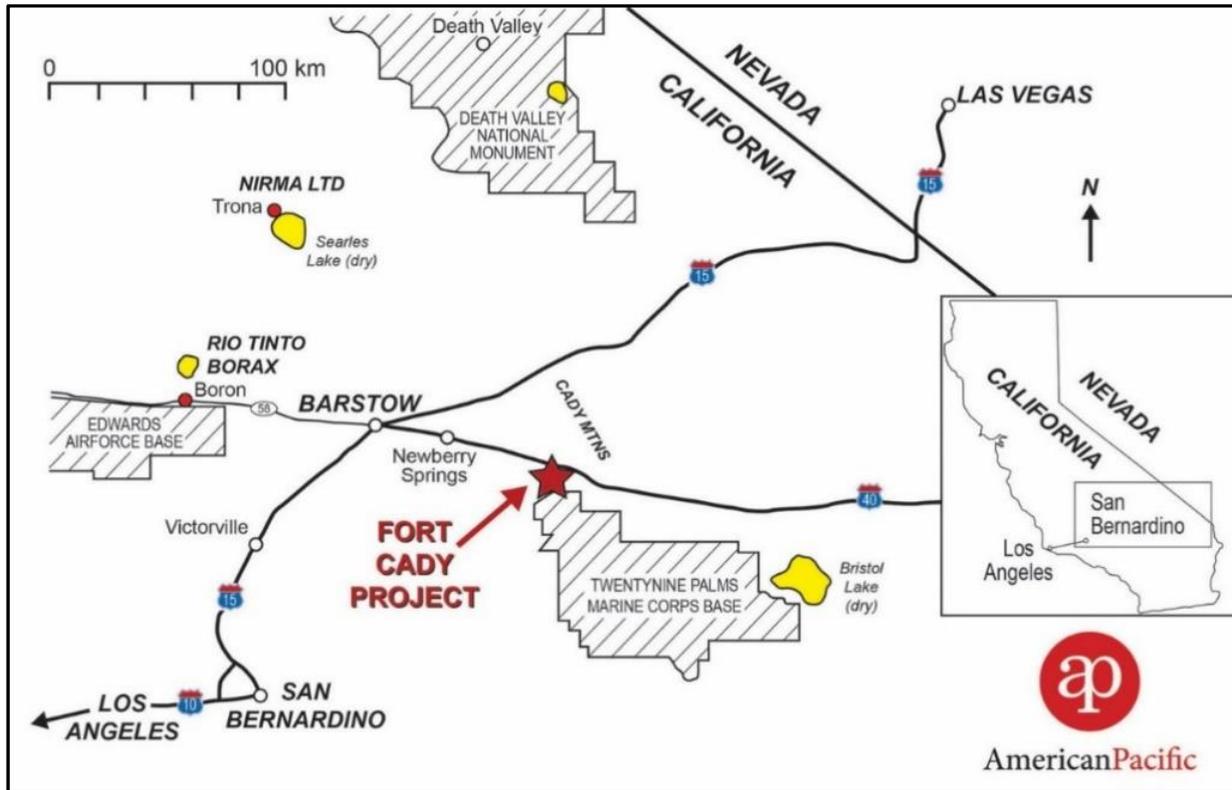
[www.americanpacificborate.com](http://www.americanpacificborate.com)



**Figure 1: Location of the Fort Cady Borate and Lithium Project, California USA**

### **About American Pacific Borate and Lithium Limited**

American Pacific Borate and Lithium is focused on advancing its 100%-owned Fort Cady Boron and Lithium Project located in Southern California, USA (Figure 2). The Fort Cady Project is a highly rare and large colemanite deposit with substantial lithium potential and is the largest known contained borate occurrence in the world not owned by the two major borate producers Rio Tinto and Eti Maden. The Fort Cady Project has a historical non-JORC mineral estimate of 115Mt at 7.4% B<sub>2</sub>O<sub>3</sub> or 13.2% H<sub>3</sub>BO<sub>3</sub> (boric acid) equivalent (5% B<sub>2</sub>O<sub>3</sub> cut off) including 69Mt at 9% B<sub>2</sub>O<sub>3</sub> and 16% H<sub>3</sub>BO<sub>3</sub> (7% B<sub>2</sub>O<sub>3</sub> cut off). More than US\$50m has been spent on the Fort Cady Project to date, including resource drilling, metallurgical test works, well injection tests, permitting activities and substantial pilot-scale test works having been completed. The Company is accelerating the development pathway for the Fort Cady Project with the target of being construction ready in Calendar Year 2018.



**Figure 2: Location of the Fort Cady Borate and Lithium Project, California USA**

#### **Disclaimer about historical estimates**

The aforementioned estimates are historical estimates and are not reported in accordance with the JORC Code. A competent person has not done sufficient work to classify the historical estimates as mineral resources or ore reserves in accordance with the JORC Code. It is uncertain that following evaluation and/or further exploration work that the historical estimates will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code.

#### **Competent Persons Statement**

The information in this report which relates to exploration results and historical mineral estimates is based on, and fairly represents, information and supporting documentation compiled by Lachlan Rutherford (PhD, MBA) the Company's Head of Strategy & Corporate Development. Dr Rutherford is a Competent Person who is a member of the Australian Institute of Mining & Metallurgy and a full time employee of the Company. Dr Rutherford has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the Joint Ore Reserves Committee Australasian Code for Reporting of Exploration Results, Mineral Resources and Mineral Reserves (JORC Code). Dr Rutherford consents to the inclusion of the matters based in this Prospectus on his information noted in the form and context in which it appears.