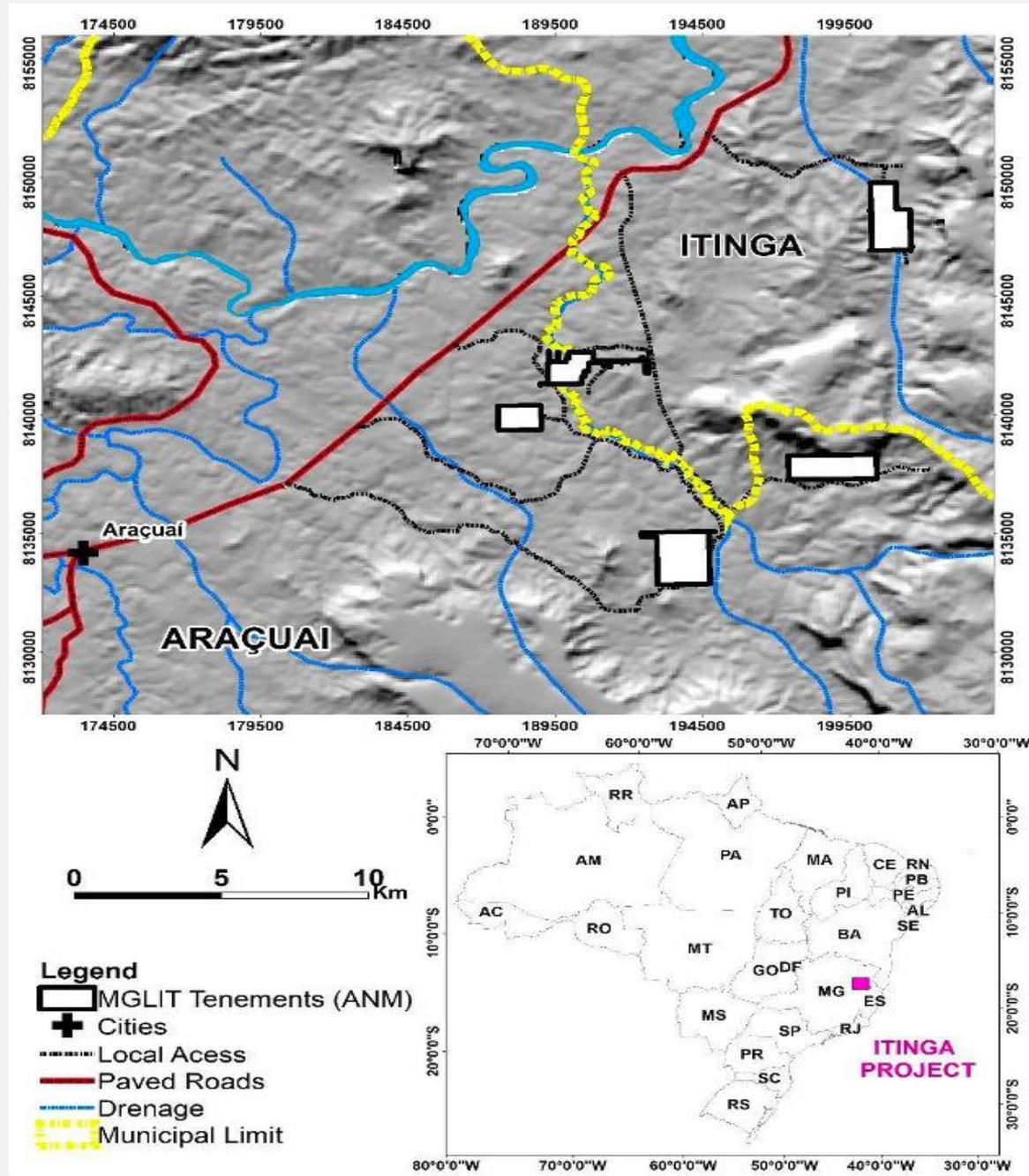


LITIUM IONIC PROJECT-OVERVIEW

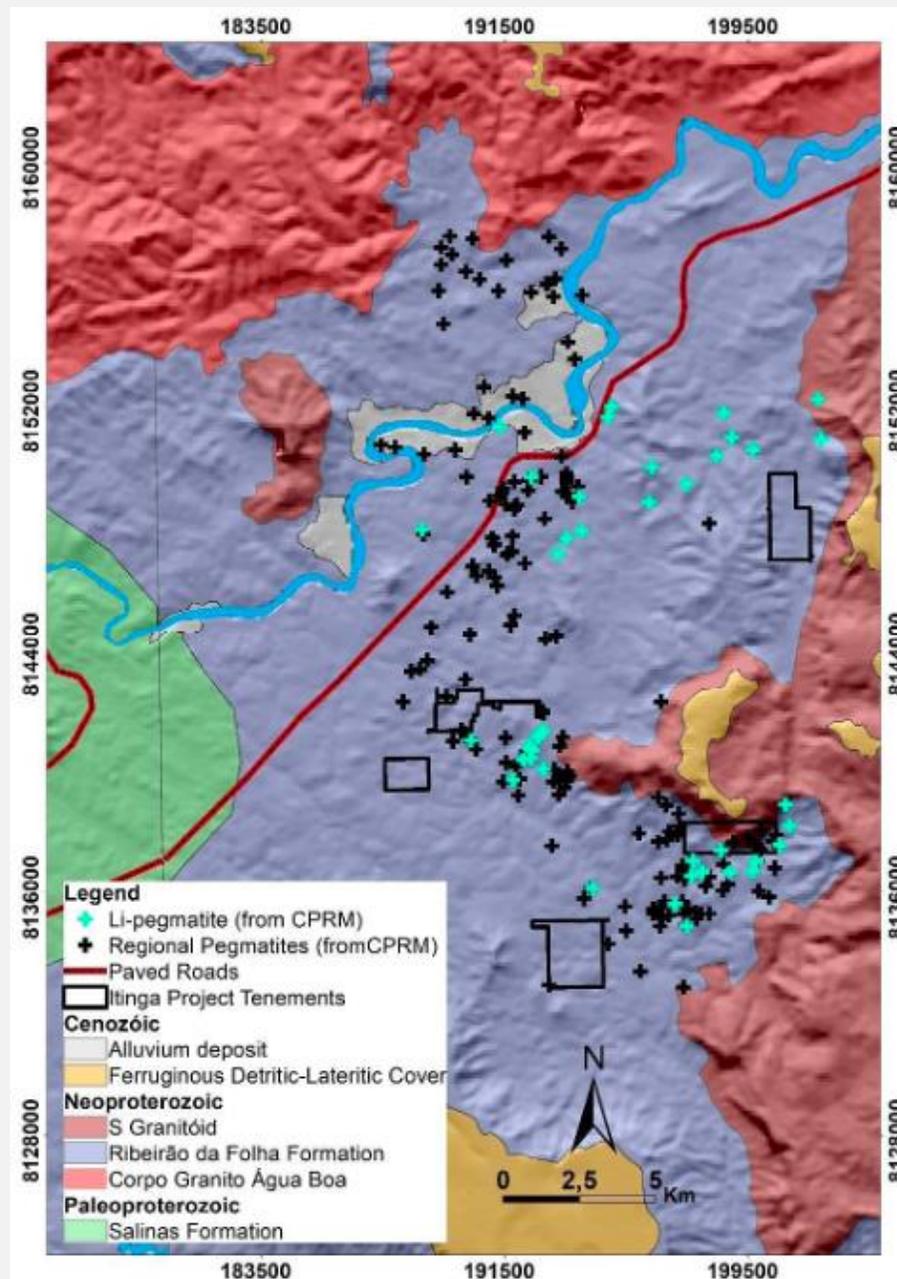
The Itinga project is situated approximately 25km east of the town of Araçuaí and 594km northeast of Belo Horizonte in Minas Gerais Province, Brazil. This location is a well-known pegmatitic province where for decades many pegmatite occurrences have been mined for high value heavy metal oxide minerals (cassiterite and coltan), lithium silicates (spodumene, petalite and lepidolite), and semi-precious gemstones.



LITIUM IONIC PROJECT-OVERVIEW

Itinga Project Location

Within the Araçuaí Pegmatite District (APD) more than a hundred pegmatitic occurrences are known. Today, the focus in the region is spodumene due to the increase in market value in the last years. The APD holds the biggest lithium reserves of Brazil and most of it located in the Araçuaí and Itinga region, where CBL exploits spodumene from its Cachoeira Mine. The spodumene annual concentrate production is 20,000 tonnes.



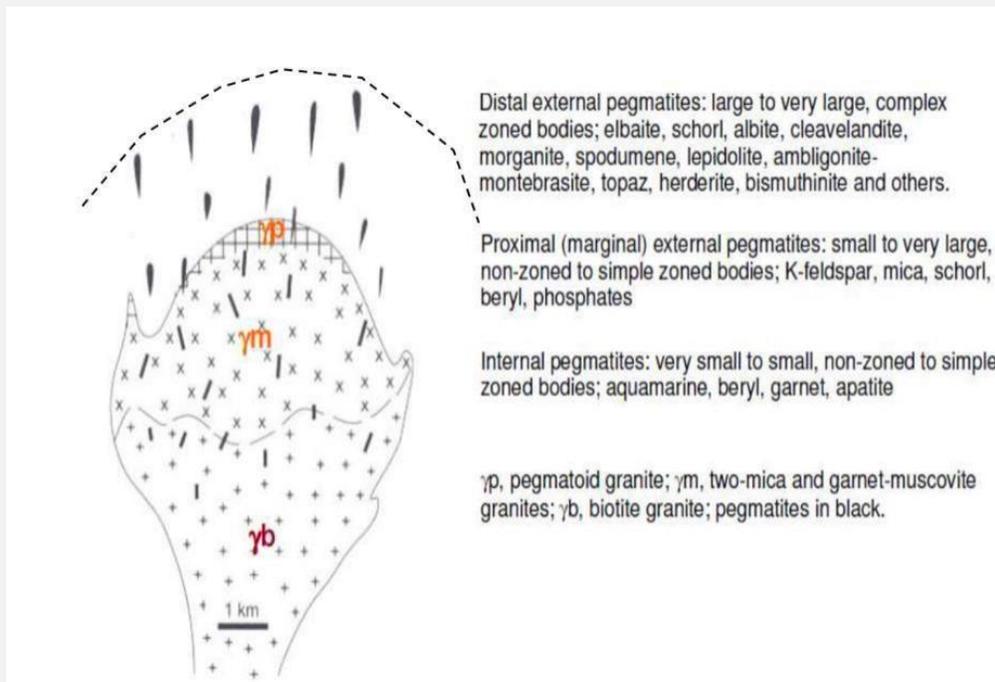
LITIUM IONIC PROJECT-OVERVIEW

Simplified Geological Map showing the Araçuai Pegmatitic District with Pegmatite occurrences and the MGLIT Tenements (Li-Ionic) (CPRM, Relatório Lítio, 2017).

The MGLIT Tenements (Lithium Ionic) are located inside the APD where the pegmatites are intruded into supracrustal rocks constituted basically of mica-schist from Salinas Formation and intruded by Neoproterozoic granitic suites source of the mineralizing volatile fluids.

Pegmatite is an igneous rock, commonly of granitic composition, that distinguish itself from other igneous rocks by the enormous grain size of its forming crystals. They have a very important economic value due the presence of Li, Rb, Cs, Be, Ga, Sc, Y, ETR, Sn, Nb, Ta, U, Th, Zr, and Hf elements. Also, by the presence of optical quartz, fluorite, ceramic feldspar, kaolin, gems, and ornamental rocks as well.

The Araçuai region lithium bearing pegmatites were emplaced at the granite final crystallization stages. Residual volatile fluids enriched in water, silica, alumina, alkali, rare and other volatile elements are concentrated at the apex of the granite magmatic chamber and are injected into the fractures and fault zones of the hosting rock. These residual granitic fluids of post-collisional G4 type granite intruded between 535 and 490Ma (Pedrosa-Soares et al, 2011b).



Zoning model of a granite pegmatitic identified in the Coronel Murta pegmatite field locate to the north of Araçuai