ARDIDEN INTERSECTS THICK ZONES OF PEGMATITE IN MAIDEN DRILLING AT ROOT LAKE LITHIUM PROJECT, CANADA

Spodumene-bearing pegmatite structures intersected in all drill-holes

HIGHLIGHTS

- **Maiden due diligence diamond drilling completed at Root Lake Lithium Project in Ontario, Canada (under option).**
- **All eight drill holes intersected the spodumene-bearing pegmatite structures.**
- **Initial logging shows numerous spodumene-bearing pegmatite zones located near surface and with true widths of up to 14m**
- **Continuity of the pegmatite mineralisation confirmed for up to 69m down-dip.**
- **162 drill core samples now sent to Actlabs in Thunder Bay.**
- **Review also identifies an additional pegmatite structure south of current pegmatite structures.**

Ardiden Limited (ASX: ADV) is pleased to advise that it has intersected thick zones of near-surface pegmatite mineralisation in its maiden diamond drilling program which was completed recently at the McCombe pegmatite on the **Root Lake Lithium Project** in Ontario, Canada.

ROOT LAKE PROJECT

As with its recent drill program at Seymour Lake, the successful and early intersection of spodumene-bearing pegmatite structures at the Root Lake Lithium Project has once again meant that Ardiden only needed to complete 8 diamond drill holes, for a total of 467.5 drilled metres.

The limited and targeted due diligence drilling program was completed to twin or validate historical drill holes and resource results.

Further the drilling was to provide Ardiden with sufficient drill core samples in order to undertake full metallurgical analysis, including a metallurgical drill-hole sample of almost 69 continuous drilled metres of pegmatite, which importantly verifies the down-dip extension of the mineralisation zones of the historic resource at the McCombe pegmatite.

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Initial logging of the recently completed drill holes has immediately confirmed the strong presence of spodumene mineralisation at the Root Lake Project, with numerous occurrences being readily identified as spodumene pegmatite.

Figure 1. *Drill Core from the Root Lake project showing multiple intersection of Spodumene mineralisation in the pegmatite structures.*

Ardiden confirms that 162 drill core samples have been that logged, cut and prepared from the eight diamond drill holes with samples obtained and delivered to the ActLabs in Thunder Bay for formal analysis.

A review of the drill core has shown that each drill-hole intersection has substantial zones of the spodumene pegmatite near-surface with true widths of up to 14m (refer to Table 1), which is a very encouraging result for Ardiden.

The drilling has delivered visible confirmation of the spodumene pegmatite structures which provides further evidence in support of the historical data and continuity of the mineralisation zones at Root Lake and will underpin the Company's due diligence review of the project.

Further, these drilling results will assist Ardiden to define the boundaries of the main outcropping spodumene-bearing pegmatite structures which host the lithium mineralisation at the project and, subject to obtaining assay results, validate the historical reported lithium grades at the McCombe pegmatite. This will provide Ardiden with greater confidence in the prospectivity of the project and potential to define a JORC Compliant lithium resource.

The Root Lake Lithium Project includes a number of known lithium occurrences including the McCombe pegmatite (*known strike length of 550m*) and the Root Lake pegmatite (*known strike length of 1,200m*). The claims area and location of the pegmatites is shown in Figure 2 below.

MCCOMBE SPODUMENE-BEARING PEGMATITE

As previously reported by Ardiden on 10 February 2016, lithium mineralisation at the Root Lake Project is associated with spodumene bearing pegmatites which are found at several locations on the property. A significant occurrence, the McCombe pegmatite, is located in the north-western portion of the Root Lake property.

Capital Lithium Mines Ltd. completed a diamond drilling programme on the Root Lake property in 1956, consisting of 55 drill holes for 10,442m. Capital Lithium Mines Ltd. outlined a 2,333,752 tonne deposit (NB: Not JORC or NI 43-101 compliant) at the McCombe pegmatite grading 1.3% Li_2O. This non-compliant deposit covers less than 5% of the Project area.

The McCombe pegmatite is located on a patent claim. Patent claims are an historical form of land tenure granted in Ontario that is more akin to freehold land and may therefore (in certain circumstances) allow for a more accelerated development pathway. A further technical review of the Root Lake patent claims will be undertaken as part of the due diligence process. The due diligence review also includes a review of available borehole logs, assay depths, drill collar coordinates, drill orientations and cross-sections from the McCombe and Root Lake pegmatites.

FURTHER LITHIUM POTENTIAL

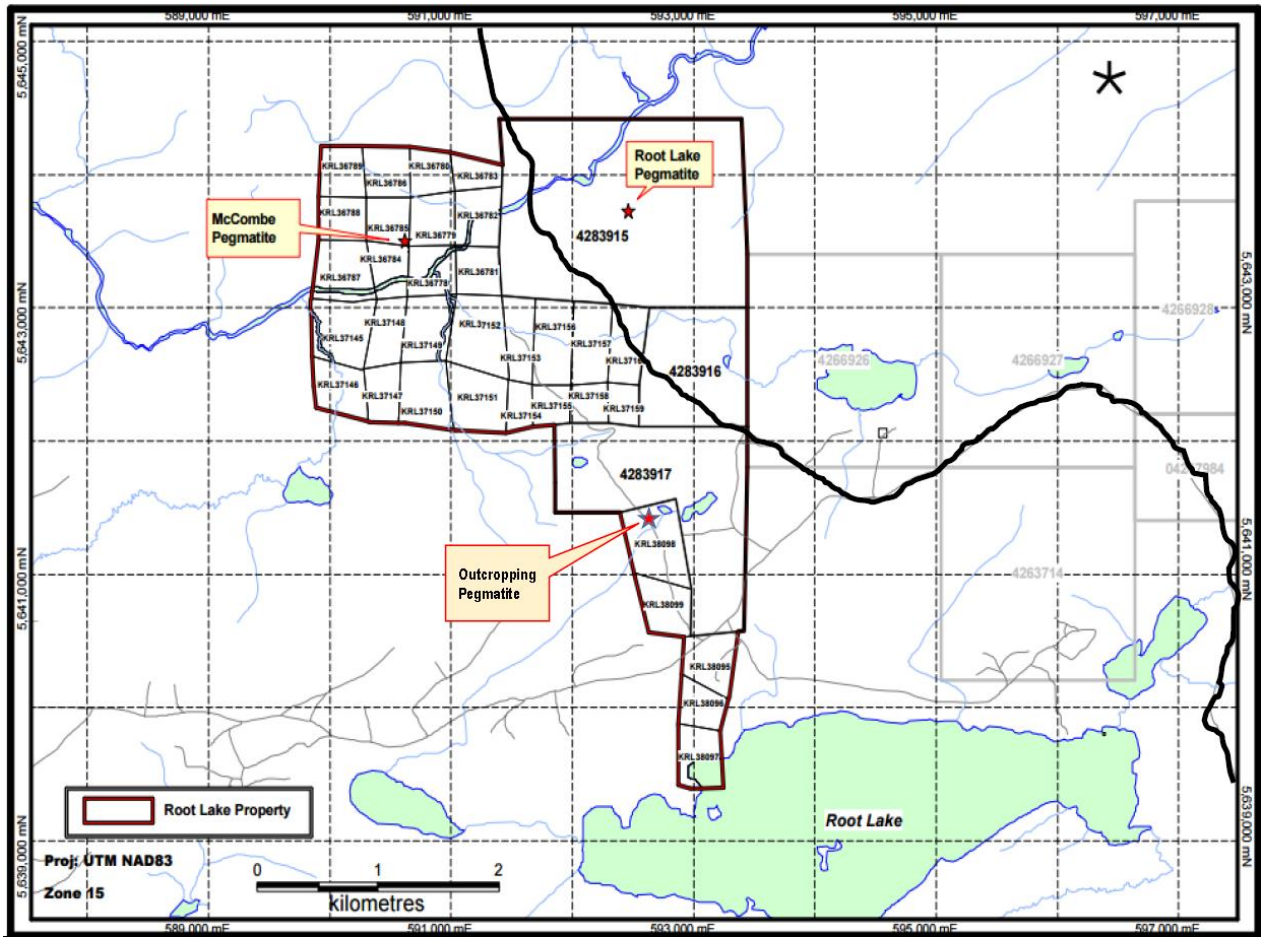

Figure 2: *Root Lake Lithium Project Claims Area and location of McCombe Pegmaitite and Root Lake Pegmatite and additional southern pegmatite.*

As a result of the current evaluation, Ardiden is pleased to confirm that a review of historical mapping and exploration reports has enabled the Company's exploration team to identify a further outcropping pegmatite structure which is located approximately 3km to the south of the Root Lake pegmatite structure and has not been properly explored or drill tested.

The review has also identified the potential to expand the McCombe and Root Lake lithium-bearing pegmatite structures which are yet to be fully defined and remain open in all directions. **This will provide Ardiden with the opportunity to further expand the known lithium mineralisation zones on the Root Lake Lithium Project.**

CONCLUSION

Ardiden considers the early intersection of significant zones of spodumene-pegmatite mineralisation close to surface at the Root Lake Project as a very positive outcome of the drilling program and the identification of additional pegmatites structures reaffirms the high potential of this project area to host a JORC Compliant lithium resource.

The Company looks forward to providing further exploration updates as they come to hand.

-ENDS-

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About the Ardiden Ltd

The Seymour Lake Lithium Project (under option to acquire 100%) is located in Ontario, Canada. The project comprises 912 Ha of mining claims and has over 4,000m of historic drilling. Mineralisation is hosted in extensive outcropping spodumene-bearing pegmatite structures with widths up to 26.13m and grades of up to 2.386% Li2O. In addition, tantalum and beryllium grades of up to 1,180 ppm (Ta2O5) and 1,270ppm (BeO) respectively were intersected.

The Root Lake Lithium Project (under option to acquire 100%) is located in Ontario, Canada. The project comprises 1,013 Ha of mining claims and has over 10,000m of historic drilling. Mineralisation is hosted in extensive outcropping spodumene-bearing pegmatite structures with widths up to 19m and grades of up to 5.10% Li2O. In addition, tantalum grades of up to 380 ppm were intersected.

The 100%-owned Manitouwadge Jumbo Flake Graphite Project is located in Ontario, Canada. The Project area is 5,300 Ha and has a 20km strike length of EM anomalies with graphite prospectivity and is being subject to systematic exploration to determine areas that have potential to be a near-term development opportunity.

Metallurgical testwork has indicated that up to 80% of the graphite is high value jumbo or large flake graphite. Testwork has also indicated that simple, low-cost gravity and flotation beneficiation techniques can result in graphite purity levels of up to 96.8% for jumbo flake and 96.8% for large flake. Testing using the proven caustic bake process was able to produce ultra-high purity (>99.95%) graphite. The graphite can also be processed into high value expandable graphite and produces a high quality graphene and graphene oxide.

Competent Person's Statement

The information in this report that relates to exploration and drilling results for the Seymour Lake Lithium project is based on, and fairly represents, information and supporting geological information and documentation in this report has been reviewed by Mr Paul Nielsen who is a member of the Association of Professional Geoscientists of Ontario. Mr Nielsen is not a full-time employee of the Company. Mr Nielsen is employed as a Consultant Geologist. Mr Nielsen has more than five years relevant exploration experience, and qualifies as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (the JORC Code). Mr Nielsen consents to the inclusion of the information in this report in the form and context in which it appears.

Forward Looking Statement

This announcement may contain some references to forecasts, estimates, assumptions and other forward-looking statements. Although the company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions, it can give no assurance that they will be achieved. They may be affected by a variety of variables and changes in underlying assumptions that are subject to risk factors associated with the nature of the business, which could cause actual results to differ materially from those expressed herein. All references to dollars ($) and cents in this presentation are to Australian currency, unless otherwise stated. Investors should make and rely upon their own enquires and assessments before deciding to acquire or deal in the Company's securities.

Table 1. Drilling Logs for holes RL-16-01 to SL-16-07 at Root Lake Lithium project.

Hole ID	East	North	Total Depth (m)	Dip	From (m)	To (m)	Interval (m)	Description
RL-16-01	590794	5643600	30	-45	0	5	5	Overburden
RL-16-01			30		5	26.3	21.3	Mafic Volcanic
RL-16-01			30		26.3	30	**3.7**	Spodumene Pegmatite
RL-16-01			30		30			**Hole Abandoned due to intersection of old drill rod**
RL-16-01A	590792	5643600	75	-45	0	5	5	Overburden
RL-16-01A			75		5	25.2	20.2	Mafic Volcanic
RL-16-01A			75		25.2	33.9	**8.7**	Spodumene Pegmatite
RL-16-01A			75		33.9	75	41.1	Mafic Volcanic
RL-16-02	590790	5643615	26.5	-75	0	6	6	Overburden
RL-16-02			26.5		6	10.5	4.5	Mafic Volcanic
RL-16-02			26.5		10.5	24	**13.5**	Spodumene Pegmatite
RL-16-02			26.5		24	26.5	2	Mafic Volcanic
RL-16-03	590725	5643582	72	-45	0	6	6	Overburden
RL-16-03			72		6	52.5	46.5	Mafic Volcanic
RL-16-03			72		52.5	61.5	**9**	Spodumene Pegmatite
RL-16-03			72		61.5	72	10.5	Mafic Volcanic
RL-16-04	590726	5643623	40	-45	0	2	2	Overburden
RL-16-04			40		2	18	16	Mafic Volcanic
RL-16-04			40		18	32	**14**	Spodumene Pegmatite
RL-16-04			40		32	40	8	Mafic Volcanic
RL-16-05	590853	5643552	80	-45	0	6	6	Overburden
RL-16-05			80		6	68.4	62.4	Mafic Volcanic
RL-16-05			80		68.4	76.1	**7.7**	Spodumene Pegmatite
RL-16-05			80		76.1	80	3.9	Mafic Volcanic
RL-16-06	590734	5643650	90	-60	0	3	3	Overburden
RL-16-06			90		3	71.8	**68.8**	Spodumene Pegmatite
RL-16-06			90		71.8	90	18.2	Mafic Volcanic
RL-16-07	590848	5643594	54	-45	0	28	28	Mafic Volcanic

RL-16-07			54		28	35.3	**7.3**	Spodumene Pegmatite
RL-16-07			54		35.3	41	5.7	Mafic Volcanic
RL-16-07			54		41	46.1	**5.1**	Spodumene Pegmatite
RL-16-07			54		46.1	54	7.9	Mafic Volcanic

Table 2: Root Lake Lithium Project

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Drill core information is based on historic reports from the Ministry of Northern Development and Mines assessment records. • Core sampling was assumed to be done with mechanical core splitter and remaining half of sample was placed back in core tray.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Diamond core drilling. • No core orientation procedures indicated.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Drill logs are available but no description of drill program is available and was not required at the time of reporting.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or*	• Samples represent half the core width, and were logged in insufficient detail to support appropriate Mineral Resource estimation.

Criteria	JORC Code explanation	Commentary
	costean, channel, etc) photography. • *The total length and percentage of the relevant intersections logged.*	
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Historic information is not available to elaborate on these points.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• Assay standards were appropriate for the time of sampling in 1956 but cannot be comparable to assay techniques that may be available today. • A magnetometer and resistivity survey was completed over the property but the relationship between mineralisation and geophysical anomalies was not described in the report.
verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• No verification of significant intersections by independent personnel or data entry procedures is indicated.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Location and placement of holes was based on cut grid lines using imperial measurements and are not tied to earth coordinates. • Drill dip was measured using acid tube method but corrected azimuth was not available.

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• No information available to accurately establish geological or grade continuity • New drilling and sampling will be required to adequately establish the geologic and grade continuity for any Mineral Resource and Ore Reserve estimation procedure.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Not documented
Sample security	• *The measures taken to ensure sample security.*	• Not documented.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• The 2002 drill results were reviewed by Mat Rees the qualified person documenting the exploration results up to and including 2009 drilling and surface exploration work described in the 2010 43-101 compliant report.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	• All claims are in good standing and are 100% owned by Landore Resources the vendor of the property. Exploration permit application is in progress.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Other parties have not appraised the exploration carried out to date
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Root Lake and McCombe area pegmatites have been classified as belonging to the Complex-type, Spodumene-subtype. Mineralization is dominated by spodumene (Li), with lesser tantalite(Ta) hosted in a

Criteria	JORC Code explanation	Commentary
		series of steeply dipping pegmatite dykes.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• Drill hole information including Easting and Northing (imperial grid) of drill collars, elevation, dip and azimuth and down hole length has been documented in scanned to pdf files.
		• Property assessment report for 2009 trench sampling program to verify historic data is available on the Ontario Ministry of Natural Resources website for the Root Lake pegmatite.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Documentation is incomplete from the historic records to comment on these points.
relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Downhole information is available but true width of mineralisation can not be verified from historic records.
diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Maps and scaled sections are available but incomplete and not all drill sampling is available.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of*	• NA

Criteria	JORC Code explanation	Commentary
	Exploration Results.	
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• NA
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Diamond drilling and twinning of holes is to verify historic information.