



Press release

February 2017

Deutsche Rohstoff: Tin International signs binding MoU to form a Joint Venture with Lithium Australia

Sadisdorf license will become the core asset of the new company

Mannheim/Leipzig. Tin International AG, 61.5% owned by Deutsche Rohstoff AG, announced today that it has signed a binding Memorandum of Understanding (MoU) to form a Joint Venture with Lithium Australia NL (ASX:LIT). The company is listed on the Australian Stock Exchange and develops processing technology that allows the economic extraction of lithium from lithium mica bearing ore (so-called "Sileach™-technology). Lithium also holds a global portfolio of Lithium deposits.

The "Sadisdorf" deposit, located in Saxony, Germany will become the key asset of the Joint Venture. Lithium Australia will receive the right to earn 15% of the to be established company by spending a total of EUR 750,000 on exploration of "Sadisdorf" until the end of 2017. Alternatively the company can elect to pay the outstanding amount in cash to Tin International by year-end. By investment of a further EUR 1.25 million over a 3-year period Lithium Australia has the right to further increase its interest in the Joint Venture Company to 50%. After the completion of this "earn-in" period, the partners equally bear the project development costs or are diluted accordingly.

Upon closing of the final Joint Venture Agreement Tin International will receive a one-time payment of EUR 200,000 in Lithium Australia shares and EUR 50,000 in cash.

The Joint Venture will be managed by Lithium Australia and aims to extend and upgrade the existing "Sadisdorf" JORC (2012) resource (3.36 Mt inferred resource grading 0.44% Sn at a cutoff of 0.25% Sn) and to delineate a lithium resource which is anticipated to be associated with the tin mineralization. The management expects that the economic viability of the "Sadisdorf" project can be improved substantially through this strategy. Lithium is an important commodity especially in the manufacturing of batteries and according to most analysts the demand for lithium will increase significantly with the growing market for electric vehicles in the coming years."

Thomas Gutschlag, CEO of Deutsche Rohstoff, comments: "We are pleased with the signed MoU. Lithium Australia brings a wealth of processing technology and knowledge that will potentially enable the extraction of lithium as by-product from the tin production and will make Sadisdorf an economically viable project."

Adrian Griffin, MD of LIT said: "Sadisdorf has mine openings, historic tin production and a well identified lithium halo through and around the JORC Resource. This is a great



opportunity to establish a substantial lithium resource to feed a Sileach™ processing facility in Europe.”

Mannheim, 27 February 2017

Deutsche Rohstoff identifies, develops and divests attractive resource projects in North America, Australia and Europe. The focus is on the development of oil and gas opportunities within the United States. Metals, such as gold, copper, rare earth elements, tungsten and tin complete our portfolio. For more information please visit www.rohstoff.de.

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