Anson Resources Ltd

17 July 2018

ASX ANNOUNCEMENT

ASX: ASN, ASNOB

Anson Receives Further Positive Results from Evaporation Work

Highlights:

- **Lithium concentration increases to 986ppm**
  - **suitable for proposed processing plant**
- **Boron concentration increased to 12,400ppm**
- **Magnesium concentrations begin to decrease**

Anson Resources Limited (Anson) is pleased to announce that it has received further encouraging results from the extended evaporation test work, over a period of 35 days, carried out on the bulk sample extracted from the Cane Creek 32-1 well. This work forms part of Anson's plan to fast-track the Paradox Lithium Project in Utah, (the Project) into production.

The goal of the test work was to study the behaviour of the brine during evaporation and to observe whether the Li concentration could be increased. Li concentration needed to be increased to be able to recover it from the brine by a conventional Li_2CO_3 recovery technique by the addition of Na_2CO_3. The successful increase in concentration to 986ppm is considered a suitable lithium brine concentration as a feed for the proposed processing plant.

Sample	Li (ppm)	B (ppm)	Br (ppm)	Mg (ppm)	Na (ppm)	K (ppm)	Ca (ppm)
Feed	126	1,870	3,335	39,100	31,100	36,500	53,800
Day 3	310	3,960		47,800	5,460	15,100	118,00
Day 9	421	6,108		48,593	1,874	3,639	178,400
Day 14	433	5,980	9,655	43,000	1,400	1,700	163,000
Day 17	574	7,170		40,300	1,780	2,200	194,000
Day 21	630	8,610		31,400	1,900	2,620	217,000
Day 24	900	12,250		12,900	1,835	3,534	283,800
Day 28	986	12,400		11,500	1,860	3,810	282,000
Day 31	853	11,000		14,200	1,650	3,480	263,000
Day 35	Solution not obtained due to high viscosity of material						

Table 1: Metal concentration in solution during the evaporation test work.*

Heated plastic vats were used in the evaporation tests. The evaporation in the vats with heat lamps simulates in principle the large scale solar evaporation of brines in a laboratory scale. The raw brine was added in five baths which were installed under heat lamps. An air blower was installed in front of the baths to promote the evaporation, see ASX announcement 26 June 2018.

At the beginning 6.76 – 6.88 kg of brine was added to each vat with the total mass of the brine being 34.0 kg at the beginning. Temperature above the brine surface was measured and the temperature range was 40 – 50 °C. The samples were taken at three/four day intervals. After 14 days of evaporation, the crystal slurries from the baths were filtered and the recovered 2,319 g of solution was added to a new vat and the evaporation was continued. The metals concentration in the solution during the evaporation is presented in Table 1 and the metals concentration in the crystals are listed in Table 2.

At the end of the evaporation trial, the viscous crystal slurry was removed from the bath and its mass was measured at 1,710g.

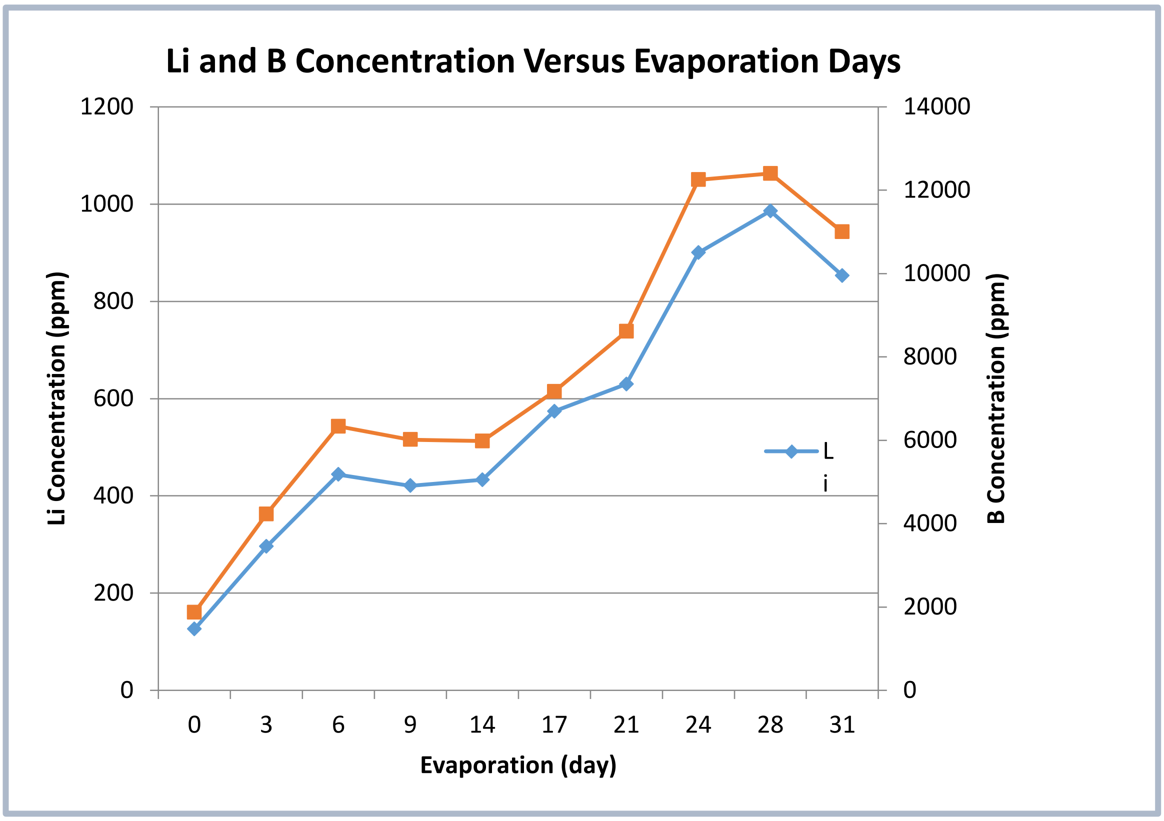
The bath evaporation test work has concluded after 40 days. The lithium, boron and bromine concentrations continue to rise, see Table 1 and Graph 1. The sodium and potassium concentrations continued to drop and the magnesium precipitation accelerated after the crystal removal.

The lithium values during the evaporation test work were assayed both in the saturated brine and the crystal salts by standard lithium assay methods. The precipitated crystals also entrap the crystallising mother liquor and some lithium in it, see Table 2. As in regular mineral processing, the lithium in the crystals can be extracted by further processing.

Sample	Li (%)	B (%)	Mg (%)	Na (%)	K (%)	Ca (%)
Feed						
Day 3	0.015	0.21	5.96	1.97	5.72	6.13
Day 9	0.017	0.252	5.32	2.64	3.63	7.45
Day 14						
Day 17	0.023	0.28	5.31	0.072	0.095	11.1
Day 21	0.018	0.25	6.77	0.071	0.071	10.9
Day 24	0.036	0.549	4.15	0.088	0.146	14.3
Day 28	0.036	0.528	4.04	0.077	0.152	14.3
Day 31	0.028	0.281	5.37	0.076	0.113	12.8
Day 35	0.023	0.269	6.02	0.065	0.088	12.1

Table 2: Metal concentration in the crystals during the evaporation test work.*

***Lithium Brine Evaporation Tests, Anson Resources Ltd Test work status, Eero Kolehmainen (Senior Research Metallurgist-Hydrometallurgy), Outotec.**



Graph 1: Graph showing the increase in lithium and boron concentrations.

Clarification:

Outotec

The ultimate goal of the original metallurgical test work, ASX announcement 26 June 2018, was to test the increase in lithium concentration during evaporation of the super saturated brine. The test work was also designed to test the change in concentration of the additional minerals during evaporation and also the mineral concentrations in the precipitated solids.

The lithium values during the evaporation test work were assayed both in the saturated brine and the crystal salts. The lithium losses have not been determined at this date as the test work is ongoing and the Company will release this information as soon as it is quantified. The total lithium content remains in the processing system (brine) and minor lithium is entrapped in fluid associated with the precipitated crystals. The lithium and other mineral percentages in the crystal have been determined. As in regular mineral processing, the lithium in the crystals can be extracted by further processing.

The cation and metal assay work was carried out using the ICP method, the standard technique for assaying for lithium and boron and IP was used for the anion analysis.

These results and the since increased data pool are shown in Tables 1 and 2. The bath evaporation test work has concluded after 40 days. The lithium, boron and bromine concentrations continue to rise, see Table 1 and Graph 1. These results, from the first pass test work, show that the Li concentrates with continual evaporation but some brine containing lithium is entrapped in the precipitating crystals. The sodium and potassium concentrations continued to drop and the magnesium precipitation accelerated after the crystal removal on day 14.

The lithium (Li) and boron (B) concentrations both increased during the two separate trial evaporation tests. The sodium (Na) and potassium (K) concentrations decreased, precipitating out as chloride salts. The two trials were sun lamp evaporation and also a vacuum evaporation trial, see Tables 3 and 4.

Sample	Li (ppm)	B (ppm)	Na (ppm)	Mg (ppm)	K (ppm)	Ca (ppm)
Feed	126	1,870	31,100	39,100	36,500	53,800
Bath 1, Day 1	276	3,960	5,460	47,800	15,100	118,000
Bath 3, Day 2	301	4,300	4,270	47,700	11,500	128,000
Bath 5, Day 3	310	4,430	4,670	49,800	12,500	132,000

Table 3: Concentration of the brine feed and resultant values after evaporation by heat lamps.

The first pass vacuum evaporation test work showed the lithium concentrations increase similar to the evaporation by the heat lamps, see Table 4.

Sample	Li (ppm)	B (ppm)	Mg (ppm)	Na (ppm)	K (ppm)	Ca (ppm)
Feed	115	1,580	34,700	27,500	31,000	1. 46,800
After Evaporation	314	4,150	36,800	3,570	7,950	163,400
	Li (%)	**B (%)**	**Mg (%)**	**Na (%)**	**K (%)**	**Ca (%)**
Crystals	0.005	0.077	6.3	8.2	8.1	2.01

Table 4: Metal concentration in solution and solids after initial vacuum evaporation.

Lilac Product

The LCE product reported in ASX announcement 12 July 2018 was produced by Lilac Solutions. A bulk sample (1,000l) was transported to their metallurgical laboratory in California, USA. The bulk sample was extracted from the artesian flowing brine of Clastic Zone 29 from the Cane Creek well, CC32-1-25-20. The co-ordinates of the Cane Creek well are shown in Table 5.

Hole ID	Northing	Easting	RL	Depth	CZ 29 Depth	Dip	Azim	Inner Tube
CC32-1-25-20	4,270,986	610,154	5,662	11,405	6,170	-90	0	2 7/8”

Table 5: The Cane Creek well, CC32-1-25-20, drillhole co-ordinates and details.

The LCE product was the result of the first pass proof of concept test work. The cation and metal assay work was carried out using the ICP method, the standard technique for assaying for lithium and boron and IP was used for the anion analysis.

This initial test of lithium recovery and processing was performed by Lilac Solutions, Inc., a lithium extraction company based in Oakland, California. Lilac's unique ion exchange media and system was used following partial optimization to extract lithium from 32.5 litres of brine containing approximately 100 ppm Li, 40,000 ppm Ca, 30,000 ppm Mg, and 10,000 ppm Na.

The ion exchange system yielded 0.55 litres of lithium chloride solution with a lithium concentration of 3,300 ppm and with a molar purity of 84%, giving a lithium recovery of 56%. The chloride solution was processed into a lithium carbonate sample as an initial proof of concept. Lithium was precipitated from this solution through the addition of sodium carbonate to yield 2.7 grams of crude lithium carbonate at a molar purity of approximately 88%. Engineering work is ongoing to optimize Lilac's ion exchange system for this particular brine chemistry and to produce additional lithium carbonate samples with higher recovery and purity.

Anson's Managing Director, Bruce Richardson, commented, "The significant increase in lithium and other minerals in this work completed by Outotec using a simple evaporation process provides the Company with a better understanding of the nature of the brines at the Paradox Lithium Project. The precipitation of salts during the evaporation is also a positive and indicates that these high concentrated salts can be easily extracted. Both of these significant results assist in the development of the design of production process which is currently underway."

ENDS

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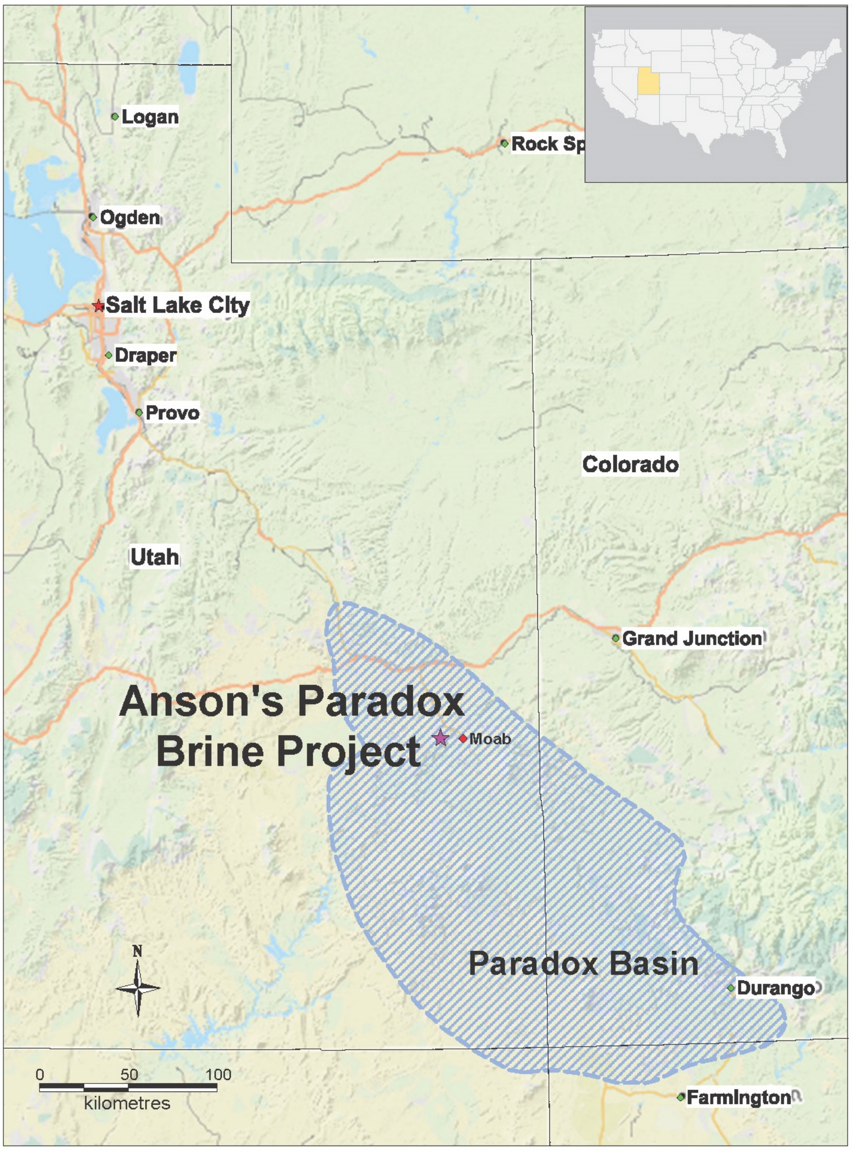
Forward Looking Statements: Statements regarding plans with respect to Anson's mineral projects are forward looking statements. There can be no assurance that Anson's plans for development of its projects will proceed as expected and there can be no assurance that Anson will be able to confirm the presence of mineral deposits, that mineralisation may prove to be economic or that a project will be developed.

About the Utah Lithium Project

Anson is targeting lithium rich brines in the deepest part of the Paradox Basin in close proximity to Moab, Utah. Lithium values of up to 1,700ppm have historically been recorded in close proximity to Anson's claim area. The location of Anson's claims within the Paradox Basin is shown below:



Competent Person's Statement: The information in this announcement that relates to exploration results and geology is based on information compiled and/or reviewed by Mr Greg Knox, a member in good standing of the Australasian Institute of Mining and Metallurgy. Mr Knox is a geologist who has sufficient experience which is relevant to the style of mineralisation under consideration and to the activity being undertaken to qualify as a "Competent Person", as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves and consents to the inclusion in this report of the matters based on information in the form and context in which they appear. Mr Knox is a director of Anson and a consultant to Anson.

Chemical Engineer's Statement: The information in this announcement that relates to lithium extraction and processing is based on information compiled and/or reviewed by Mr. Alexander Grant. Mr. Grant is a chemical engineer with a MS degree in Chemical Engineering from Northwestern University. Mr. Grant has sufficient experience which is relevant to the lithium extraction and processing undertaken to evaluate the data presented.

JORC CODE 2012 "TABLE 1" REPORT

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.*	**Cane Creek 32-1-25-20 well** • Mud Rotary (historic oil well). • On re-entry, sampling of the supersaturated brines was carried out • Samples were collected in a professional manner • Samples were collected in IBC containers from which samples for assay were collected • Initial samples were sent to multiple certified laboratories in the USA • Bulk samples were sent to metallurgical laboratories
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).*	• Mud Rotary Drilling (18 ½" roller bit). • Inner tubing (2 7/8")
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.*	**Cane Creek 32-1-25-20** • Sampling of the targeted horizons was carried out at the depths interpreted from the newly completed geophysical logs. Clastic Zones 17, 19, 29, 31 and 33 were sampled

JORC CODE 2012 “TABLE 1” REPORT

Criteria	JORC Code Explanation	Commentary
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.*	**Cane Creek 32-1-25-20** All cuttings from the historic oil wells were geologically logged in the field by a qualified geologist
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.* • *The total length and percentage of the relevant intersections logged.*	• Geological logging is qualitative in nature. • All the drillhole were 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,*	**Cane Creek 32-1-25-20** • Sampling followed the protocols produced by SRK for lithium brine sampling • Samples were collected in IBC containers and samples taken from them. • Duplicate samples kept • Storage samples were also collected and securely stored • Bulk samples were also collected for future use. • Sample sizes were appropriate for the program being completed. • Due to artesian flow, continual brine samples can be collected
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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	**Cane Creek 32-1** • Assays were carried out in certified laboratories using standard assaying techniques • ICP was used for cation and metal analysis • IP was used for anion analysis • The metallurgical assays were carried out in certified laboratories in Finland and California • Assaying was carried out using ICP, the standard technique for Li, Na, Mg & B • Quality and assay procedures are considered appropriate • Duplicate samples kept (can be sent to an external lab) • Bulk sample (1000l) has been sent off for bench top test work

JORC CODE 2012 "TABLE 1" REPORT

Criteria	JORC Code explanation	Commentary
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.*	**Cane Creek 32-1-25-20** Documentation has been recorded and sampling protocols followed. Samples have been assayed at secondary lab to confirm results
Location of data points	• *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.*	**Cane Creek 32-1-25-20** • The project is at an early stage and information is insufficient at this stage in regards to sample spacing and distribution. No sample compositing has occurred.
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.*	• Data spacing is considered acceptable for a brine sample but has not been used in any Resource calculations • No sample compositing has occurred.
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.*	• All drill holes were drilled vertically (dip -90). • Orientation has not biased the sampling

JORC CODE 2012 "TABLE 1" REPORT

Criteria	JORC Code explanation	Commentary
Sample security	The measures taken to ensure sample security.	**Cane Creek 32-1-25-20** • Sampling protocols were followed and chain of custody recorded. • Samples were delivered directly to the lab
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	**Cane Creek 32-1-25-20** • No audits or reviews of the data have been conducted at this stage.

Section 2 Reporting of Exploration Results

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

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 licence to operate in the area.*	**Cane Creek 32-1-25-20** • The project consists of 983 claims.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	**Cane Creek 32-1-25-20** • Past exploration in the region was for oil exploration. • Brine analysis only carried out where flowed to surface during oil drilling.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Oil was targeted within clastic layers (mainly Clastic Zone 43) **Cane Creek 32-1-25-20** • Lithium is being targeted within the clastic layers in the Paradox Formation.

JORC CODE 2012 "TABLE 1" REPORT

Criteria	JORC Code explanation	Commentary
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.*	**Drillhole Summary:** **Cane Creek 32-1-25-20** • 610,154E, 4,270,986N • 5,662 RL • Dip 90^0 • Azim 0^0 • 11,405 TD • CZ 29 – 6,170 ft depth
	• *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.*	
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.*	**Cane Creek 32-1-25-20** • No averaging or cut-off grades have been applied.
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 (e.g. 'down hole length, true width not known').*	**Cane Creek 32-1-25-20** • Exploration is at an early stage and information is insufficient at this stage. • Drill hole angle (-90) does not affect the true width of the brine

JORC CODE 2012 "TABLE 1" REPORT

Criteria	JORC Code explanation	Commentary
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.*	**Long Canyon Historic Wells** • No new discoveries have occurred; • Most are historic results from the 1960's, though some oil wells drilled recently.
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 Exploration Results.*	**Cane Creek 32-1-25-20** • Exploration is at an early stage
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.*	**Cane Creek 32-1-25-20** • The exploration reported herein is still at an early stage. • Test work of the brine is on going
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.*	**Cane Creek 32-1-25-20** • Further work is required which includes mapping and other exploration programs such as further core drilling. • Further metallurgical work is required.