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ASX/Media Announcement

15 June 2017

PILBARA LAUNCHES EQUITY RAISING TO COMPLETE FUNDING FOR THE PILGANGOORA LITHIUM-TANTALUM PROJECT

HIGHLIGHTS:

- **A\$50 million placement to Australian and international institutional and sophisticated investors**
- **Including the previously announced \$US20 million (~A\$27 million) equity commitment from the Company's offtake partner, Jiangxi Ganfeng Lithium Co Ltd, a total of A\$77 million is to be raised through the share placement**
- **Share Purchase Plan to be offered to eligible shareholders for up to an additional A\$15 million**
- **Pilbara's major shareholder, Mineral Resources Limited, is supportive of the Company's financing initiatives and intends to participate in the placement**
- **Equity raising follows the recent successful US\$100 million secured bond issue and, post-completion, will ensure that Pilbara Minerals is fully-funded to complete the development of the Pilgangoora Project**

Australian lithium developer, Pilbara Minerals Limited (ASX: PLS) ("**Pilbara**" or "**Company**") is pleased to announce an equity raising to complete the funding required to fully develop its 100%-owned Pilgangoora Lithium-Tantalum Project in Western Australia.

The equity raising comprises a share placement of up to 220 million fully-paid ordinary shares at an issue price of A\$0.35 to qualified institutional and sophisticated investors in Australia and internationally to raise up to approximately \$50 million (before costs) and the previously announced US\$20 million (~A\$27 million) equity commitment from the Company's off-take partner, Jiangxi Ganfeng Lithium Co Ltd, for a total of A\$77 million ("**Placement**").

The Company will also undertake a Share Purchase Plan to existing shareholders with registered addresses in Australia and New Zealand to raise up to an additional A\$15 million (before costs) ("**SPP**"). Together, the Placement and SPP¹ will comprise an issue of up to approximately 262.9 million ordinary shares in the Company at a fixed issue price of A\$0.35 to raise up to A\$92 million (before costs).

Cornerstone Commitments

In addition to the previously announced US\$20 million (~A\$27 million) equity commitment from Jiangxi Ganfeng Lithium Co Ltd (*see ASX Announcement – 2 May 2017*), Pilbara's major shareholder, Mineral Resources Limited (ASX:MIN), is supportive of the Company's development objectives, funding strategy and has indicated it will subscribe for shares for at least their pro rata proportion in the Placement.

The proceeds of the Placement and SPP will be used to fund the development of the Pilgangoora Lithium-Tantalum Project as well as for corporate and exploration costs, interest costs, management and liquidity reserves as well as for general working capital.

¹ Assumes full uptake of Placement and SPP.



The proceeds from the Placement and SPP when combined with the US\$100 million bond issue recently announced and existing cash reserves are expected to provide a fully funded solution to rapidly advance development of the Pilgangoora Project to full scale operation, with commissioning scheduled for the first quarter of 2018.

Placement Details

The Placement will involve the issue of up to 220 million shares to raise a total of up to A\$77 million. There will be a A\$66.5 million unconditional Placement ("**Tranche 1**") under Listing Rule 7.1 utilising the full 15% capacity and a A\$10.5 million Placement conditional on shareholder approval at a General Meeting ("**Tranche 2**").

The issue price represents a discount of 10.9% to the 5-day volume weighted average price of Pilbara shares on the ASX of A\$0.393 prior to the trading halt on 15 June 2017.

Settlement of Tranche 1 of the Placement is scheduled to occur on 26 June 2017. Tranche 2 of the Placement is subject to shareholder approval at a General Meeting to be held on or around 26 July 2017 and is scheduled to settle on or around 2 August 2017. The new shares issued under the Placement will rank equally with existing shares in the Company.

An indicative timetable for the Placement is set out below:*

Placement – Summary of Key Dates	
Placement Tranche 1 DvP Settlement Date	26 June 2017
General Meeting	On or around 26 July 2017
Placement Tranche 2 DvP Settlement Date	On or around 2 August 2017

**The indicative timetables for the Placement and the SPP remain subject to change at the Company's discretion, subject to compliance with applicable laws. Any changes will be advised to ASX.*

Details of the Placement are also set out in an Investor Presentation which Pilbara Minerals has lodged with the ASX today. The Investor Presentation contains important information in relation to the Placement including the expected sources and uses of funds for the Project, risk factors and certain foreign selling restrictions with respect to the Placement.

Share Purchase Plan Details

Pilbara also intends to offer all of its existing eligible shareholders the opportunity to subscribe for up to a maximum of \$15,000 worth of shares at the same offer price of \$0.35 per share under the Placement to raise up to \$15 million.

The SPP is proposed to open on 27 June 2017 and is scheduled to close at 5.00pm (AWST) on 17 July 2017. Participation in the SPP will be open to all eligible holders of Pilbara shares as at 14 June 2017 ("**Record Date**") with a registered address in Australia or New Zealand.

The Company reserves the right to accept oversubscriptions or reject and scale back applications under the SPP at its absolute discretion.

New shares issued under the SPP will rank equally with the Company's existing ordinary shares on issue. Further details in respect of the SPP will be released to ASX shortly and distributed to eligible shareholders on or about 27 June 2017. No brokerage or commissions are payable in respect of subscribing for shares under the SPP.

The Company's shares will remain in a trading halt pending the closing of the Placement which is expected to be announced on Monday, 19 June 2017.



Additional Information:

ABOUT PILBARA MINERALS

Pilbara Minerals ("Pilbara" – ASX: PLS) is a mining and exploration company listed on the ASX, specialising in the exploration and development of the specialty metals Lithium and Tantalum. Pilbara owns 100% of the world class Pilgangoora Lithium-Tantalum project which is among the largest Spodumene (Lithium Aluminium Silicate) projects in the world. Pilgangoora is also one of the largest pegmatite hosted Tantalite resources in the world and Pilbara proposes to produce Tantalite as a by-product of its Spodumene production.

ABOUT LITHIUM

Lithium is a soft silvery white metal which is highly reactive and does not occur in nature in its elemental form. It has the highest electrochemical potential of all metals, a key property in its role in Lithium-ion batteries. In nature, it occurs as compounds within hard rock deposits and salt brines. Lithium and its chemical compounds have a wide range of industrial applications resulting in numerous chemical and technical uses. A key growth area is its use in lithium batteries as a power source for a wide range of applications including consumer electronics, power station-domestic-industrial storage, electric vehicles, power tools and almost every application where electricity is currently supplied by fossil fuels.

ABOUT TANTALUM

The Tantalum market is boutique in size with around 1,300 tonnes required each year. Its primary use is in capacitors for consumer electronics, particularly where long battery life and high performance is required such as smart phones, tablets and laptops.

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FORWARD LOOKING STATEMENTS AND IMPORTANT NOTICE

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 are indicative and 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 announcement are to Australian currency, unless otherwise stated.

Investors should make and rely upon their own enquiries before deciding to acquire or deal in the Company's securities.