

## BATTERY MINERALS LTD (BAT)

### One last push required to fund Montepuez Stage 1

Battery Minerals Limited (BAT) has completed a A\$20M (ex. fees) placement. Together with the ~A\$33.3M RCF debt facility, ~A\$6.7M RCF equity commitment and proposed A\$5M SPP, we estimate that the total outstanding Montepuez Stage 1 funding requirement is A\$20M and assume it will be funded through a subsequent equity raising prior to commissioning of the Montepuez plant (expected MarQ 2019).

This recent "interim" capital raise does not yet allow BAT to meet one of the conditions precedent of the RCF deal, currently sitting A\$3.3M short of A\$28.3M requirement. Hence it would appear that BAT needs at least a small equity raise before the RCF deal longstop date of 31 October 2018.

### Significant Share Dilution

Our total assumed issued capital is 1,304M post this recent placement and RCF funding deal. Commensurate with the recent placement, BAT will issue one free attaching option for every two shares issued, totalling 208.4M. With the current number of options which we expect to be exercised, total options amount to 291.8M (we assume 334.1M options at 10c expire this July). The total options combined with issued capital, assumed new equity issued for the final Montepuez Stage 1 funding (A\$20M) and Stage 2 construction in 2019 (\$20M) yields a total future issued capital, inclusive of options and new capital, of 1,956M shares.

### Maintain Speculative Buy

We have updated our model for shares on issue, both current and forecast, and have included the new options to be issued. We have not assumed further bonus options are issued in subsequent placements. Financing risk remains until the RCF deal completes, presumed later this year.

The RCF financing package is still conditional, and BAT requires additional financing regardless (currently A\$20M still required, we assume ~360M shares in our model). Consequently, although the stock is currently well below our valuation, it is likely that the discount remains until financing is finalised (we expect finalisation in the next 6 months). As we have seen in the lithium space, it is possible that extremely attractive financing terms end up being realised, and hence we maintain our Speculative Buy. The risk though is that the BAT share price is stagnant for six months before re-rating once financing is in place. Our 12-month price target of 14cps (down from 19cps) has to be seen in that context.

Our valuation for the project has not changed but issued capital has diluted our BAT valuation to 18cps (from 21cps).

Fig. 1: Montepuez Funding Status

	A\$M	Status
Required	85.0	As of 3-May-18
RCF Debt	33.3	Subject to CP
RCF Equity	6.7	Subject to CP
Capital raise	20.0	Tranche 1 completed
SPP	5.0	Awaiting shareholder approval
<b>To be funded</b>	<b>20.0</b>	<b>Assume capital raising</b>

Source: Hartleys estimates, Battery Minerals Limited

1 Jun 2018

Share Price	\$0.056
Valuation	\$0.18
Price Target (12 month)	\$0.14

#### Brief Business Description:

An advanced stage mineral exploration and development company focussed on the Montepuez Graphite Project in Mozambique. BAT aim to produce anode material for lithium-ion batteries from spherical graphite.

#### Hartleys Brief Investment Conclusion

Low cost, East African graphite developer with proven management. Four binding offtake deals have been signed. Funding is progressing well.

#### Chairman & Executives

Jeff Dowling (Non-exec Chairman)  
David Flanagan (Managing Director)

#### Major Shareholders

Farjor Pty Ltd 13.7%

#### Company Address

10 Ord Street  
West Perth, WA, 6005

Issued Capital (Post Raising, RCF Equity & SPP) 1304.0m  
- fully diluted (forecast ITM) 1595.8m

Market Cap A\$73.0m  
- fully diluted (forecast ITM) A\$89.4m

Cash (Post Raising, RCF Equity & SPP) A\$42.7m

Debt (31 Mar 18) A\$0.0m

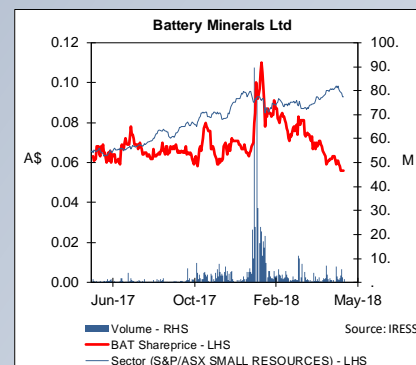
EV A\$30.3m

EV/Resource A\$3.7/t

EV/Reserve A\$8.3/t

Prelim. (A\$m)	CY19e	CY20e	CY21e
Prod. 96% Flake	0.025	0.062	0.082
Op Cash Flw	12.0	37.7	51.3
Norm NPAT	-3.18	13.7	20.4
CF/Share (cps)	0.46	1.716	2.340
EPS (cps)	-0.19	0.823	1.227
P/E	-29.3	6.8	4.6

	Mt	TGC Cont.	Graph.
Resources	105.9	7.67%	8.2 Mt
Reserve	41.4	8.80%	3.6 Mt



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Hartleys has assisted in the completion of capital raisings in the past 12 months for Battery Minerals Limited ("Battery") for which it has earned fees. Hartleys has provided corporate advice within the past 12 months and continues to provide corporate advice to Battery for which it has earned fees and continues to earn fees. Hartleys has a beneficial interest in 4 million options in Battery.

# SUMMARY MODEL

Battery Minerals Ltd		Share Price					
BAT		\$0.056					
<b>Key Market Information</b>							
Share Price		\$0.056					
Market Capitalisation - ordinary		A\$89m					
Net Cash (Debt)		\$42.7m					
Market Capitalisation - fully diluted		A\$110m					
EV		A\$67m					
Issued Capital		1304.0m					
Options		291.8					
Issued Capital (diluted for options)		1595.8m					
Issued Capital (diluted inc. options and new capital)		1955.8m					
<b>Valuation</b>							
12month price target		\$0.14					
<b>P&amp;L</b>							
	Unit	31 Dec 17	31 Dec 18	31 Dec 19	31 Dec 20	31 Dec 21	31 Dec 22
Net Revenue	A\$m	0.0	0.0	28.8	71.5	93.4	177.1
Total Costs	A\$m	-5.8	-4.9	-16.2	-32.9	-41.7	-69.3
EBITDA	A\$m	-5.8	-4.9	12.6	38.6	51.8	107.8
- margin		-	-	44%	54%	55%	61%
Depreciation/Amort	A\$m	0.0	-4.8	-11.4	-15.8	-18.9	-24.2
EBIT	A\$m	-5.8	-9.7	1.2	22.8	32.8	83.6
Net Interest	A\$m	0.0	0.2	-4.4	-4.6	-5.7	-6.1
Pre-Tax Profit	A\$m	-5.7	-9.4	-3.2	18.2	27.2	77.5
Tax Expense	A\$m	0.0	0.0	0.0	-4.6	-6.8	-19.4
Normalised NPAT	A\$m	-5.7	-9.4	-3.2	13.7	20.4	58.1
Abnormal Items	A\$m	0.0	0.0	0.0	0.0	0.0	0.0
Reported Profit	A\$m	-5.7	-9.4	-3.2	13.7	20.4	58.1
Minority	A\$m	0.0	0.0	0.0	0.0	0.0	0.0
Profit Attrib	A\$m	-5.7	-9.4	-3.2	13.7	20.4	58.1
<b>Balance Sheet</b>							
	Unit	31 Dec 17	31 Dec 18	31 Dec 19	31 Dec 20	31 Dec 21	31 Dec 22
Cash	A\$m	7.7	25.7	17.3	12.8	17.0	60.2
Other Current Assets	A\$m	0.7	0.0	3.6	8.8	11.5	21.8
Total Current Assets	A\$m	8.4	25.7	20.9	21.7	28.5	82.0
Property, Plant & Equip.	A\$m	0.6	51.5	108.8	98.9	159.1	138.8
Exploration	A\$m	10.4	17.4	20.7	22.7	24.7	26.7
Investments/other	A\$m	0.0	0.0	0.0	0.0	0.0	0.0
Tot Non-Curr. Assets	A\$m	11.0	68.9	129.4	121.6	183.8	165.5
Total Assets	A\$m	19.5	94.7	150.3	143.3	212.3	247.5
Short Term Borrowings	A\$m	-	-	-	-	-	-
Other	A\$m	1.6	1.3	4.2	8.5	10.8	17.9
Total Curr. Liabilities	A\$m	1.6	1.3	4.2	8.5	10.8	17.9
Long Term Borrowings	A\$m	-	33.2	60.7	35.7	82.0	52.0
Other	A\$m	-	-	-	-	-	-
Total Non-Curr. Liabil.	A\$m	-	33.2	60.7	35.7	82.0	52.0
Total Liabilities	A\$m	1.6	34.4	64.8	44.1	92.8	69.9
Net Assets	A\$m	17.8	60.3	85.5	99.2	119.5	177.7
Net Debt	A\$m	-7.7	7.4	43.3	22.8	65.0	-8.2
<b>Cashflow</b>							
	Unit	31 Dec 17	31 Dec 18	31 Dec 19	31 Dec 20	31 Dec 21	31 Dec 22
Operating Cashflow	A\$m	-3.8	-4.5	12.0	37.7	51.3	104.6
Income Tax Paid	A\$m	0.0	0.0	0.0	-4.6	-6.8	-19.4
Interest & Other	A\$m	0.0	0.2	-4.4	-4.6	-5.7	-6.1
Operating Activities	A\$m	-3.7	-4.3	7.6	28.5	38.9	79.1
Property, Plant & Equip.	A\$m	-0.4	-55.7	-68.6	-6.0	-79.0	-4.0
Exploration and Devel.	A\$m	-4.2	-7.0	-3.3	-2.0	-2.0	-2.0
Other	A\$m	0.3	0.0	8.4	0.0	0.0	0.0
Investment Activities	A\$m	-4.3	-62.7	-63.5	-8.0	-81.0	-6.0
Borrowings	A\$m	0.0	33.2	27.5	-25.0	46.4	-30.0
Equity or "tbc capital"	A\$m	6.4	51.9	20.0	0.0	0.0	0.0
Dividends Paid	A\$m	0.0	0.0	0.0	0.0	0.0	0.0
Financing Activities	A\$m	6.0	85.0	47.5	-25.0	46.4	-30.0
Net Cashflow	A\$m	-2.0	18.0	-8.4	-4.5	4.2	43.1
<b>Shares</b>							
	Unit	31 Dec 17	31 Dec 18	31 Dec 19	31 Dec 20	31 Dec 21	31 Dec 22
Ordinary Shares - End	m	759.0	1661.0	1661.2	1661.2	1661.2	1661.3
Ordinary Shares - Wted	m	592.3	1210.0	1661.1	1661.2	1661.2	1661.2
Diluted Shares - Wted	m	617.7	1210.3	1661.4	1661.5	1661.5	1661.5
<b>Ratio Analysis</b>							
	Unit	31 Dec 17	31 Dec 18	31 Dec 19	31 Dec 20	31 Dec 21	31 Dec 22
Cashflow Per Share	A\$ cp	-0.6	-0.4	0.5	1.7	2.3	4.8
Cashflow Multiple	x	-8.9	-15.9	12.3	3.3	2.4	1.2
Earnings Per Share	A\$ cp	-1.0	-0.8	-0.2	0.8	1.2	3.5
Price to Earnings Ratio	x	-5.8	-7.2	-29.3	6.8	4.6	1.6
Dividends Per Share	AUD	-	-	-	-	-	-
Dividend Yield	%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net Debt / Net Debt + Equity	%	-76%	11%	34%	19%	35%	-5%
Interest Cover	X	159.2	38.8	0.3	5.0	5.8	13.6
Return on Equity	%	na	na	na	14%	17%	33%

1 June 2018	
Speculative Buy	
<b>Directors</b>	
Jeff Dowling (Non-exec Chairman)	10 Ord Street
David Flanagan (Managing Director)	West Perth, WA, 6005
Gilbert George (Non-exec)	Australia
Brett Smith (Non-exec)	Ph +61 8 9148 1000
Paul Glasson (Non-exec)	
Ivy Chen (Non-exec)	<a href="http://www.batteryminerals.com">www.batteryminerals.com</a>
<b>Top Shareholders</b>	
	Ordinary m sh. %
Farjor Pty Ltd (assuming additional 83.3M shares are subscribed for in Tranche 2, as indicated)	179.1 13.7%
<b>Reserves &amp; Resources</b>	
	Mt TGC (%) Cont. Graphite (Mt)
TOTAL MONTEPEZ RESERVE (4% TGC)	41.4 8.8% 3.64
TOTAL MONTEPEZ RESERVE (2.5% TGC) - Elephant & Buffalo	105.9 7.7% 8.2
Indicated	54.2 8.3% 4.5
Inferred	51.7 7.0% 3.7
TOTAL BALAMA RESOURCE (6% TGC)	32.9 10.2% 3.4
Indicated	26.6 10.3% 2.7
Inferred	6.3 10.0% 0.6
Lion (Montepuez) Resource (6% TGC)	61.6 10.3% 6.3
<b>Montepuez Production Summary</b>	
	Unit 31 Dec 17 31 Dec 18 31 Dec 19 31 Dec 20 31 Dec 21 31 Dec 22
Processed Mill Throughput	Mt - - 0.25 0.63 0.83 0.98
Mined TGC Grade	% - - 12.0% 12.0% 12.0% 12.0%
Produced 96.7% TGC Flake (Total)	Mt - - 0.025 0.062 0.082 0.097
yr	- - 9 8 7 6
Capex	A\$m -2.0 -5.7 -64.6 -2.0 -2.0 -2.0
<b>Balama Production Summary</b>	
	Unit 31 Dec 17 31 Dec 18 31 Dec 19 31 Dec 20 31 Dec 21 31 Dec 22
Processed Mill Throughput	Mt - - - - - 0.4
Mined TGC Grade	% - - - - - 10.6%
Produced 96.7% TGC Flake (Total)	Mt - - - - - 0.042
yr	- - - - - 9
Capex	A\$m -2.0 -4.0 -4.0 -4.0 -77.0 -2.0
<b>Mine Costs (95% attributed)</b>	
	Unit 31 Dec 17 31 Dec 18 31 Dec 19 31 Dec 20 31 Dec 21 31 Dec 22
Cost per milled tonne	\$A/t - - 43.8 43.1 42.9 44.4
Total Cash Costs (Mine)	\$A/t - - 453.6 447.4 445.0 459.2
C1: Operating Cash Cost = (a)	\$A/t - - 418.8 412.8 410.8 421.0
(a) + Royalty = (b)	\$A/t - - 453.6 447.4 445.0 459.2
C2: (a) + depreciation & amortisation = (c)	\$A/t - - 877.2 667.6 641.8 595.2
(c) + actual cash for development = (d)	\$A/t - - 2,976.6 541.8 1,400.3 464.1
C3: (c) + Royalty	\$A/t - - 912.0 702.2 676.1 633.3
(d) + Royalty	\$A/t - - 3,011.5 576.3 1,434.6 502.3
Total cash costs as per P&L	\$A/t - - 654.4 529.7 508.9 497.8
All in Sustaining Costs (AISC)	\$A/t - - 1,133.2 658.7 558.3 540.9
<b>Price Assumptions</b>	
	Unit 31 Dec 17 31 Dec 18 31 Dec 19 31 Dec 20 31 Dec 21 31 Dec 22
AUDUSD	US\$/A\$ 0.77 0.78 0.76 0.77 0.78 0.78
Montepuez Graphite 96.7% TGC Flake	US\$/t 930.65 930.65 930.65 930.65 930.65 930.65
Balama Graphite 96.5% TGC Flake	US\$/t 1305.33 1305.33 1305.33 1305.33 1305.33 1305.33
<b>Hedging</b>	
	Unit 31 Dec 17 31 Dec 18 31 Dec 19 31 Dec 20 31 Dec 21 31 Dec 22
none	
<b>Sensitivity Analysis</b>	
	Valuation FY20 NPAT
Base Case	0.18 13.7
Spot Prices	0.18 (1.7%) 13.5 (-1.0%)
Spot USD/AUD 0.76, Basket Flake \$924/t	
AUDUSD +/-10%	0.17 / 0.20 (-7.4% / 9.1%) 11.2 / 16.7 (-18.0% / 21.9%)
Montepuez Graphite (Total Basket Price) +/-10%	0.17 / 0.17 (-3.5% / -3.5%) 13.7 / 13.7 (0.0% / 0.0%)
Production +/-10%	0.20 / 0.16 (10.3% / -10.3%) 17.0 / 10.4 (24.3% / -24.3%)
Operating Costs +/-10%	0.17 / 0.19 (-5.4% / 5.4%) 11.7 / 15.6 (-14.2% / 14.2%)
<b>Unpaid Capital</b>	
	Year Expires No. (m) \$m Ava price % ord
31-Dec-18	Assume 334.1M @ 10c expire on 31-Jul-18 0.0 0.0 0.000 0%
31-Dec-19	0.0 0.0 0.000 0%
31-Dec-20	2.5 0.2 0.092 0%
31-Dec-21	59.5 9.1 0.153 5%
31-Dec-22	21.5 3.0 0.141 2%
31-Dec-23	208.3 20.8 0.100 16%
TOTAL	291.8 33.2 0.114 22%
<b>Valuation</b>	
	\$m \$/shr
95% Montepuez (pre-tax NAV at disc. rate of 12%)	210.5 0.11
95% Balama (pre-tax NAV at disc. rate of 14%)	124.7 0.06
Other Assets/Exploration	75.0 0.04
Forwards	0.0 0.00
Corporate Overheads	-36.4 -0.02
Net Cash (Debt)	42.7 0.02
Tax (NPV future liability)	-86.5 -0.04
Options & Other Equity	-22.1 0.01
TOTAL	352.2 0.18

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 \*tbc capital\* could be equity or debt. Our valuation is risk-adjusted for how this may be obtained.  
 Sources: IRESS, Company Information, Hartleys Research

Last Updated: 01/06/2018

*We assume 334.1M options at 10c will expire out of the money in July 2018*

*We now assume 291.8M options are issued at an average price of 11c for a total value of A\$33.2M.*

*We anticipate an additional 352.6M to be issued from Tranche 2 of the placement, the SPP and the ~A\$6.7M RCF equity issuance. Our total assumed issued capital is 1,304M post this recent placement.*

## ISSUE AND EXPIRY OF OPTIONS

Following the recent placement, BAT will issue one free attaching option for every two shares subscribed for in the placement (166.7M) and intends to issue one free option for every two SPP shares subscribed for (41.7M), subject to shareholder approval. The number of new options to be issued totals 208.4M.

We assume 334.1M options at 10c will expire out of the money in July 2018, which means our assumed dilution for options prior to the issuance of placement and SPP options is 83.5M.

We now assume 291.8M options are issued at an average price of 11c for a total value of A\$33.2M. We have not assumed further bonus options are issued with subsequent placements.

**Fig. 2: Options Summary**

FY Expiry Date	Million Options	\$M	Average Price (\$)	Status
31-Dec-18	334.1	33.4	0.10	Assume expiry out of the money Jul-18
31-Dec-19	0.0	0.0	0.00	No 2019 Options issued
31-Dec-20	2.5	0.2	0.09	
31-Dec-21	59.5	9.1	0.15	
31-Dec-22	21.5	3.0	0.14	
	83.5	12.4	0.15	Previously assumed dilution for options
31-Jul-23	166.7	16.7	0.10	Placement Options
31-Jul-23	41.7	4.2	0.10	SPP Options
	291.8	33.2	0.11	New assumed dilution for options

Source: Hartleys estimates, Battery Minerals Limited

**Fig. 3: Issued Capital Summary**

	Million Shares	Status
Issued Capital (incl. Tranche 1)	951.4	Actual
Tranche 2	149.7	Within 5 days of 27-Jun-18
SPP	83.3	Awaiting shareholder approval - 27-Jun-18
RCF US\$5M Equity	119.6	Subject to conditions being met. Expected Aug-18
<b>Assumed Issued Capital</b>	<b>1304.0</b>	<b>Post May 2018 Cap. Raise, SPP &amp; RCF Equity</b>

Source: Battery Minerals Limited

## VALUATION

Our sum of parts valuation for BAT is based on discounted cashflows for the Montepuez Graphite Project and the Balama Central Project. We model cashflows for the projects with discount rates appropriate for the stage of development (12% for DFS/VES and 14% for Scoping Study). We model Montepuez in line with Company guidance, presentations and the Value Engineering Study (VES). Our model assumes full operations (Stage 1) commence in the JunQ CY2019 with 40ktpa concentrate produced, and transitions to Stage 2 100ktpa by FY22, with a modest increase in capex of US\$27M. We assume 10 years mining 12% TGC material.

We model Balama Central in line with the Scoping Study, with an added contingency for capital. Our Balama basket price is slightly higher than BAT, based on comparison of peer basket prices. While BAT expects to be producing from Balama by 2021, we model this to occur in 2022 as we would expect it to be funded through operational cashflow out of Montepuez, which doesn't achieve full ramp up until that year. The grade tonnage curve for the recently updated Balama resource suggests grades in excess of 15% TGC could be achieved. While we have not included this in our base

case valuation for Balama, we model a price target scenario where this may occur and eagerly await the Balama DFS to see if 15% TGC is achievable.

We ascribe a nominal A\$75M for exploration upside (which includes the low grade, 10 year option at Montepuez) across BAT's portfolio, given the large resources not in the current mine plans for both Montepuez and Balama.

**Fig. 4: Hartleys Sum of Parts Valuation for BAT**

Valuation	\$m	\$/shr
95% Montepuez (pre-tax NAV at disc. rate of 12%)	210.5	0.11
95% Balama (pre-tax NAV at disc. rate of 14%)	124.7	0.06
Other Assets/Exploration	75.0	0.04
Forwards	0.0	0.00
Corporate Overheads	-36.4	-0.02
Net Cash (Debt)	42.7	0.02
Tax (NPV future liability)	-86.5	-0.04
Options & Other Equity	22.1	0.01
<b>TOTAL</b>	<b>352.2</b>	<b>0.18</b>

Source: Hartleys estimates

Our valuation for BAT  
is 18cps

## PRICE TARGET

Our price target is built around a base case scenario of 40Ktpa production at Montepuez in FY19, increasing to ~100Ktpa by FY22, and 40ktpa at Balama from 2022, increasing to 50Ktpa. We have included weighting for the base case at consensus and spot pricing and also model a number of scenarios given the offtake and funding complexities within the graphite space. Our 12-month price target is now 14cps (down from 19cps) while we await completion of funding for Montepuez Stage 1.

We have recently included three additional scenarios to our price target (Montepuez Stage 1 only, Montepuez Stage 1 & 2 only, and Montepuez Stage 1 & 2 as per the VES with potential upside at Balama). These paint a clear picture as to what a potential valuation would look like should one of these scenarios become reality.

**Fig. 5: Price Target**

Price Target Methodology	Weighting	Spot	12 mth out
NPV base case, assuming significant equity dilution	40%	\$0.18	\$0.20
NPV at spot commodity and fx prices	5%	\$0.18	\$0.20
Montepuez Stage 1 only (no stage 2 or Balama)	5%	\$0.11	\$0.12
Montepuez Stage 1 & 2 only (no Balama)	5%	\$0.14	\$0.15
Montepuez as per VES & Balama upside (75ktpa)	5%	\$0.22	\$0.24
Base case debt funding fails, funded 100% through equity	20%	\$0.13	\$0.14
Net cash/failure to complete funding	20%	\$0.03	\$0.03
<b>Risk weighted composite</b>		<b>\$0.13</b>	
<b>12 Months Price Target</b>		<b>\$0.14</b>	
Shareprice - Last		\$0.056	
<b>12 mth total return (% to 12mth target + dividend)</b>		<b>157%</b>	

Source: Hartleys Estimate

Our 12-month price  
target for BAT is  
14cps

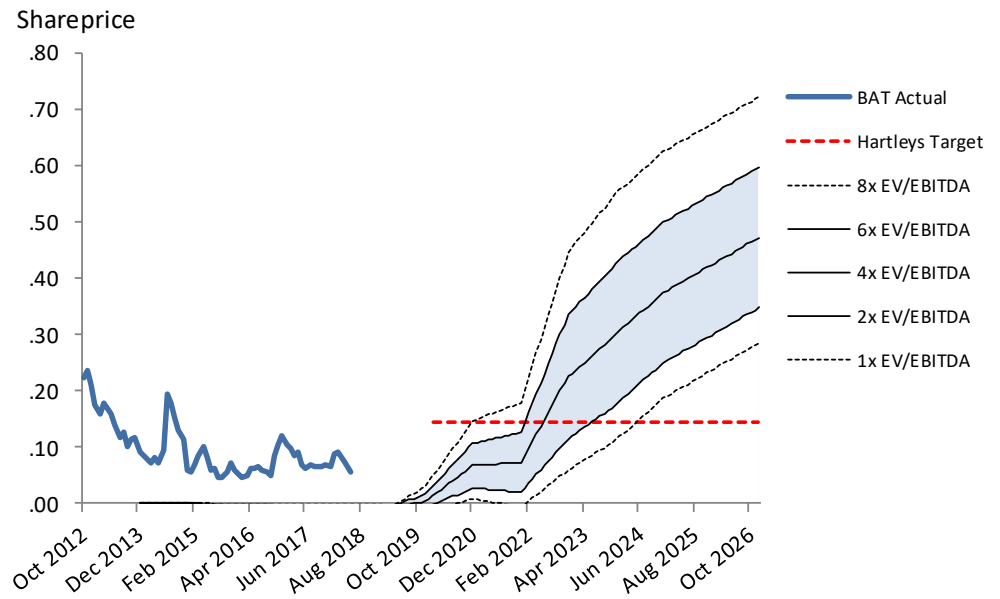
**Fig. 6: Key assumptions and risks for valuation**

Assumption	Risk of not realising assumption	Downside risk to valuation if assumption is incorrect	Comment
Graphite prices are higher than BAT's estimates	Med	High	Our valuation is sensitive to commodity price assumptions.
Further offtake agreements past 2022 to accommodate Balama	Med	Extreme	Without further past year 3 offtake, the projects will struggle
Economic mine life of 10 years	Low	Med (although also could be upside)	We believe our mine life assumptions are realistic based on current resources. Mine life could be increased should further high grade resources be discovered.
Debt funding	High	Extreme	We assume the RCF debt funding for Montepuez will proceed.
Equity funding	High	Extreme	We assume BAT can raise the equity to fund Montepuez
First production	High	Moderate	We assume first full-scale Stage 1 production in mid-CY19
<i>Conclusion</i>	<i>Given the lack of transparency in graphite pricing, we view BAT as a moderate risk. Funding, no long-term offtake agreement and no mining license are the biggest threats to our valuation, in our view.</i>		

Source: Hartleys

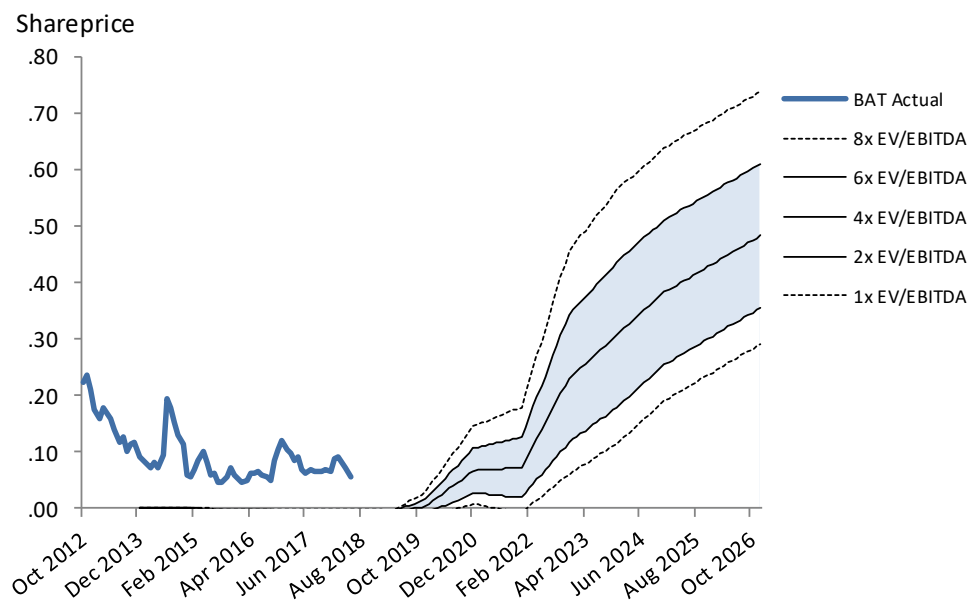
## EV/EBITDA BANDS

**Fig. 7: Using Hartleys base case commodity forecasts**



Source: Hartleys Estimates, IRESS

**Fig. 8: Using spot commodity prices**



Source: Hartleys Estimates, IRESS



# HARTLEYS CORPORATE DIRECTORY

## Research

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## Hartleys Recommendation Categories

Buy	Share price appreciation anticipated.
Accumulate	Share price appreciation anticipated but the risk/reward is not as attractive as a "Buy". Alternatively, for the share price to rise it may be contingent on the outcome of an uncertain or distant event. Analyst will often indicate a price level at which it may become a "Buy".
Neutral	Take no action. Upside & downside risk/reward is evenly balanced.
Reduce / Take profits	It is anticipated to be unlikely that there will be gains over the investment time horizon but there is a possibility of some price weakness over that period.
Sell	Significant price depreciation anticipated.
No Rating	No recommendation.
Speculative Buy	Share price could be volatile. While it is anticipated that, on a risk/reward basis, an investment is attractive, there is at least one identifiable risk that has a meaningful possibility of occurring, which, if it did occur, could lead to significant share price reduction. Consequently, the investment is considered high risk.

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