



TERM SHEET EXECUTED TO FUND, DESIGN AND BUILD LITHIUM PROCESSING FACILITY AT SEYMOUR LAKE

Seymour Lake Lithium Project ideally positioned for development

HIGHLIGHTS:

- Ardiden executes a conditional binding term sheet with Yantai Jinyuan Mining Machinery Co., Ltd (Yantai) for a Build-Operate-Transfer (BOT) agreement for the construction of a lithium processing facility at its majority-owned Seymour Lake Lithium Project in Ontario, Canada.
- Subject to Ardiden defining 1Mt JORC Mineral Resource at Seymour Lake and at Ardiden's sole election:
 - Yantai are to design, build, operate and transfer a lithium concentrate processing facility for the Seymour Lake Lithium Project;
 - Yantai to provide 50% of the project funding; and
 - Yantai are to either directly enter into, or facilitate the signing of, a 5-year off-take agreement for up to 5,000tpa of lithium concentrate product from Seymour Lake.

Diversified minerals explorer and developer Ardiden Limited (ASX: ADV) is pleased to advise that it has established a pathway for the potential near-term development and commercialisation of its majority-owned **Seymour Lake Lithium Project** in Ontario, Canada after executing a conditional binding term sheet with a leading Chinese mining equipment manufacturer to fund, design and build a lithium processing facility at the strategically located project.

The term sheet, which Ardiden has executed with Yantai Jinyuan Mining Machinery Co., Ltd ("Yantai"), outlines a proposal for a design, build, operate and transfer (BOT) arrangement for a proposed Lithium Concentrate Processing Facility ("LCPF") at Seymour Lake which could fast-track the development of the project.



Figure 1. Location of Ardiden projects (Bold Properties Base Metals, Wisa Lake Lithium, Seymour Lake Lithium, Root Lake Lithium, Root Bay Lithium and Manitouwadge Graphite) in Ontario, Canada. All projects are able to be serviced from Thunder Bay.

Ardiden Limited

Suite 6, 295 Rokeby Road
Subiaco WA 6008

Tel: +61 (0) 8 6555 2950
Fax: +61 (0) 8 9382 1222
www.ardiden.com.au

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Due to the rapid and ongoing growth in the global demand for lithium and as result of the highly encouraging recent metallurgical test results obtained from the North Aubry prospect, which demonstrate the high-quality nature of the spodumene mineralisation at Seymour Lake, Yantai has entered into a key strategic relationship with Ardiden.

Yantai is a highly experienced market leader in the production of mining and processing equipment, both within China and abroad. Subject to defining a JORC compliant Mineral Resource and, at Ardiden's sole election, the two companies intend to work together to expedite the development of the Seymour Lake Lithium Project.

Ardiden considers the formation of this strategic relationship to be an important milestone for the Company which creates a unique opportunity to significantly re-risk and potentially rapidly develop the Seymour Lake Project, establishing a near-term pathway to become a niche, high-grade lithium producer.

Should Ardiden be able to meet the conditions of the Term Sheet and define a JORC compliant Mineral Resource in the near future, Ardiden will be aiming to establish a scalable production facility at Seymour Lake with Yantai's assistance.

Under this proposal, Ardiden initially intends to produce a refined amount of lithium concentrate from Seymour Lake in order to meet the output requirements of the future off-take agreement currently being sought through Yantai.

Should Ardiden be successful in increasing the Mineral Resource at Seymour Lake and, subject to further off-take agreements being secured, Ardiden would be in a position to scale-up the production of lithium concentrate to meet the increased demand without the need for additional substantial capital investment. In the context of current market conditions, Ardiden considers the scalable approach to production to be to most appropriate and commercially responsible method.

With the assistance of Yantai and in accordance with current Term Sheet, Ardiden is currently in active discussions with potential off-take partners.

Ardiden considers the proposed direct investment by Yantai in providing 50% of project funding and the ongoing technical and industry support it will provide in securing a lithium off-take agreement to be a significant competitive advantage, as this strategic relationship dramatically reduces the project development risks and ideally positions the Seymour Lake Project for potential early lithium production.

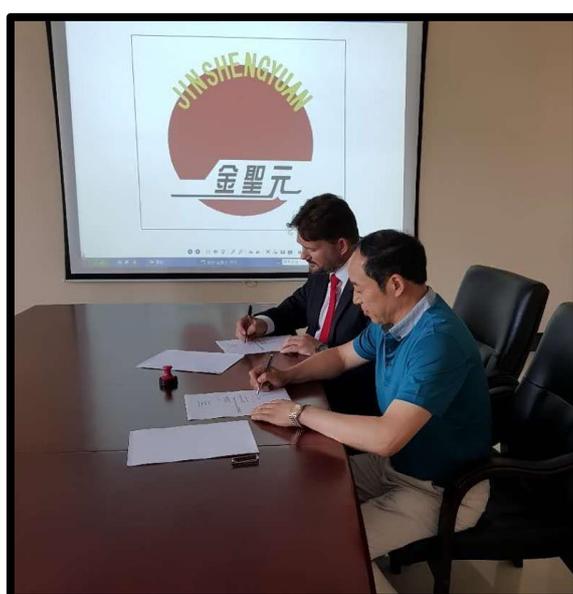


Figure 2. Image Mr. Xu (*Yantai General Manager*) and Mr Boyle (*Ardiden CEO & Executive Director*) signing the Term Sheet at the Yantai head office.

KEY TERMS OF BINDING TERM SHEET

Term	1 year, unless otherwise agreed to be extended.
BOT Agreement	Design, Build, Operate and Transfer a Lithium Concentrate Processing Facility (LCPF) with annual production of up to 10,000 tonnes Lithium Concentrate at 6% Li ₂ O, for the Seymour Lake Lithium Project.
Option	Ardiden's sole election to proceed with BOT Agreement
Funding	Yantai to provide 50% of project funding to commission the LCPF. The funding will be provided to Ardiden as a loan and commercial terms to be agreed between Parties
Off-Take	Yantai to secure directly, or through associates, a binding Lithium off-take agreement for a minimum period of 5 years and up to 5,000 tonnes of lithium concentrate per year, average grade of 4% to 6% Li ₂ O. The Off-take Agreement is to include a non-refundable pre-purchase bond.
Capital Costs	To be confirmed, once Option has been exercised by Ardiden
Lithium Concentrate Grade	4% to 6% Li ₂ O
Condition Precedents	<p>Subject to Ardiden's sole election to exercise the option:</p> <ul style="list-style-type: none"> • Yantai shall deliver to Ardiden comprehensive Metallurgical Analysis Report ("MAR") within three (3) months of the Option being exercised and receiving bulk sample, MAR to confirm flow sheet for the recovery of the Lithium Concentrate at a minimum grade of 6% Li₂O; • Yantai shall deliver to Ardiden within two (2) months of providing the MAR, a formal deed confirming their ability to provide 50% of project costs to commission the LCPF; • Yantai to deliver to Ardiden a full and comprehensive design, engineering and compliance report for Lithium Processing Facility not less than six (6) and no more than nine (9) months after completing the MAR; • Ardiden to define a JORC compliant Lithium Mineral Resource estimate at the Seymour Lake Lithium Project of at least 1,000,000 tonnes (1Mt) with an average grade of 1% Lithium Oxide (Li₂O);

- Ardiden secures the remaining 50% of project funding to commission the LCPF; and
- Parties exercise further and more detailed documentation defining the terms of the funding options for the project development.

Yantai Jinyuan Mining Machinery Co., Ltd



Figure 3. Image of the Yantai head office and production facility in Yantai, China.

Yantai Jinyuan Mining Machinery Co., Ltd. is located in Yantai High-tech Industrial Park, in the city of Yantai, China and contains advanced processing equipment over an extensive facility covering an area of 36,000 square metres. It is a private professional company with integrating experimental study, process design, equipment manufacture, installation, debugging and staff training.

Yantai is a market leader with a strong technical and professional team of approximately 400 people specialising in supplying equipment for the mining and processing of Gold, Lead, Zinc, Molybdenum, Copper, Nickel and Lithium. Yantai is certified to ISO9001:2000 for the Quality Management System. Yantai has an established and good business reputation among customers in more than 20 provinces, cities and autonomous regions within China and provide services and equipment to customers in Russia, Mongolia, North Korea, South Korea, Burma, India, Canada, Chile, Tajikistan, Pakistan, South Africa and Congo.

Yantai is a one-stop service including design, equipment manufacture, installation and debugging. Their senior technicians are experienced in the design, scientific research and production departments majored in Geology, Mining, Beneficiation, Mining Machine, Civil Engineering and Electricity, providing strong technical assurance for excellent service. Yantai cooperates with many colleges and scientific research institutes and are constantly learning and expanding their business scope and knowledge, whilst being aware of the latest trends and achievements of the domestic mining industry and applies the new technology to production and updating and improving their products.

Yantai is currently completing the expansion of the lithium carbonate production facility in the Shandong Province for the industry leader Shandong RuiFu Lithium Company Ltd, which has secured a number of substantial off-takes with ASX-listed companies including Pilbara Minerals Ltd and European Lithium Ltd.

For further information about Yantai, please refer to their website <http://en.jinyuankj.com.cn/>.



Figure 4. Images of some mining recent equipment produced at the Yantai production facility.

Next Steps

Ardiden will continue to actively drill the North Aubry prospect with the aim of defining a maiden JORC compliant Mineral Resource in the near future, with the view to, subject to the Conditions Precedent, be in a position to exercise the option pursuant to the Term Sheet with Yantai.

Ardiden will continue to work with Yantai to meet the conditions of the Term Sheet, as well as undertake further discussions with potential off-take and funding partners.

The Company is also undertaking some limited Scoping Study work, in conjunction with ongoing metallurgical testwork, to prepare the project to advance to the next stage of commercialisation.

Ardiden looks forward to providing further updates as they come to hand.

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For further information:

Investors:

Brad Boyle
Ardiden Ltd
Tel: +61 (0) 8 6555 2950

Media:

Nicholas Read
Read Corporate
Mobile: 0419 929 046

About Ardiden Ltd

Ardiden Limited (ASX: ADV) is an emerging international strategic metals company which is focused on the exploration, evaluation and development of multiple projects located in the established mining jurisdiction of Ontario, Canada.

The Seymour Lake Lithium Project comprises 7,019 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 6.0% Li₂O. These high-grade pegmatite structures have been defined over a 5km strike length.

The 100%-owned Root Lake Lithium Project 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 Root Bay lithium project is strategically located approximately 5km to the east of the recently acquired Root Lake Lithium Project and consists of three claim areas, totalling 720 hectares. The project was staked by Ardiden as part of its regional exploration focus in and around the Root Bay spodumene-bearing pegmatite. Initial observations of the exposed pegmatite are characterized by coarse white albite, grey quartz and pale grey-green spodumene crystals up to 10cm long.

The 100%-owned Manitouwadge Flake Graphite Project covers an area 5,300 Ha and has a 20km strike length of EM anomalies with graphite prospectivity. Previous preliminary metallurgical testwork indicated that up to 80% of the graphite at Manitouwadge is high value jumbo or large flake graphite. Testwork also indicated that simple, gravity and flotation beneficiation can produce graphite purity levels of up to 96.8% for jumbo flake and 96.8% for large flake. With the proven caustic bake process, ultra-high purity (>99.95%) graphite can be produced. The graphite can also be processed into high value expandable graphite, high quality graphene and graphene oxide.

The Wisa Lake Lithium project (under option to acquire 100%) is located 80km east of Fort Frances, in Ontario, Canada and only 8km north of the Minnesota/US border. The property is connected to Highway 11 (Trans-Canada), which is located 65km north via an all-weather road that crosses the centre of the project. The Wisa Lake Lithium Project consists of five claims (1,200 hectares) and covers the historical drilling location of the North Zone. Ardiden is aiming to commence a limited drill program to drill test and verify the historical lithium results.

The Bold Properties project (under option to acquire 100%) is located approximately 50km north-east of the town of Mine Centre in Ontario, Canada. The property is connected to Highway 11 (Trans-Canada), which is located 25km south via an all-weather road. The Bold Property Project consists of four claims (1,024 hectares) and covers a number of anomalous sulphide zones. In 1992, Hexagon Gold (Ontario) Ltd. completed a total of 17 drill holes in multiple locations on and around the Bold Property Project at various depths of up to 428m down-hole. The nine grab samples that were collected by Hexagon in 1992 returned encouraging grades of up to 0.33% cobalt, 5.54% copper and 0.73% nickel, confirming the significant exploration potential.

All projects located in an established mining province, with good access to infrastructure (road, rail, power, phone and port facilities) and local contractors and suppliers.

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.