

# Desert Lion Energy Intersects 2.25% Li<sub>2</sub>O over 9.00 metres at Rubicon and Provides Update on First Shipment of Lithium Concentrate

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TORONTO, April 17, 2018 /CNW/ - Namibian lithium producer [Desert Lion Energy Inc.](#) (TSXV: DLI) ("Desert Lion" or the "Company") is pleased to announce the Company has completed Phase 1 and Phase 2 of a three-phase drilling program and the anticipated release of a Mineral Resource estimate expected to be delineated and published in late Q2 2018. Phase 1 drilling included 19,500 metres (m) of diamond ("DD") and reverse circulation ("RC") drilling for a total of 1,064 holes. Phase 2 results (22 holes) are reported today, with assays pending for 5 remaining holes.

"I am extremely proud of the work completed to date on the 2017 drilling program; results from phases 1 and 2 are encouraging and show a clear pathway to our Mineral Resource estimate, which is expected to be published at the end of Q2 2018. This is an important milestone and supports our plans to further expand operations," commented Tim Johnston, president and CEO of Desert Lion.

Phase 1 drilling included 10,700m of DD and RC drilling focusing on delineating the strike and down-dip extents at Rubicon and Helikon. Select highlights from Phase 1 and 2 drilling include the following high-grade lithium and tantalum intercepts:

- 1.30% Li<sub>2</sub>O over 5.30 metres from RDH005
- 2.60% Li<sub>2</sub>O over 1.96 metres from RDH017
- 2.25% Li<sub>2</sub>O over 9.00 metres from RRCH012
- 2.66% Li<sub>2</sub>O over 2.76 metres from HDH004
- 2.30% Li<sub>2</sub>O over 6.07 metres from HDH017
- 1.79% Li<sub>2</sub>O over 5.25 metres from HDH015
- 1,727 ppm Ta<sub>2</sub>O<sub>5</sub> over 4.43 metres from RDH035
- 371ppm Ta<sub>2</sub>O<sub>5</sub> over 7.03 metres from RDH067
- 652ppm Ta<sub>2</sub>O<sub>5</sub> over 15.10 metres from HDH002

Phase 1 also included an extensive channel, pitting and trenching sampling program over Rubicon, Helikon and select targets, including Marble Hill. Lepidolite bearing stockpiles and dumps located at Rubicon were also evaluated through RC drilling program comprising 573 holes. Following completion of Phase 1 in mid 2017, Phase 2 follow-up drilling commenced with step out and infill drilling at Rubicon, along with delineation drilling at Helikon that comprises of five semicontiguous lithium workings. Detailed RC drilling comprising 271 holes was also completed over Helikon stockpiles and dumps.

Phase 2 drilling was completed in December 2017 and comprised of 8,800m of DD and RC drilling. Both phases of the program were successful in improving confidence in the geological model at Rubicon, as well as establishing a framework for further drilling and evaluation at the Helikon sites. Although not all results have been received from the Phase 2 drilling (outstanding), results to date support geological and grade continuity along strike and down dip at both the Rubicon and Helikon targets. Table 1 provides a summary of highlighted Lithium and Tantalum intercepts for both Rubicon and Helikon.

Table 1: Drill Results Highlights from Rubicon, Helikon 1 and 4

Highlights Rubicon and Helikon 2017 Drilling									
Project	Hole ID	Azi/Dip (°)		From (m)	To (m)	Length (m)	True Width (m)	Li <sub>2</sub> O %	Ta <sub>2</sub> O <sub>5</sub> ppm
RUBICON	RCDH017	220/-70		87.24	94.83	7.59	7.59	0.75	
	RCDH019	240/-70		78.67	84.00	5.33	5.33	0.54	
	RDH005	227/-70		12.70	18.00	5.30	5.30	1.30	
			including	12.70	16.00	3.30	3.30		156
	RDH017	240/-70		21.45	23.41	1.96	1.96	2.60	
	RDH024	227/-70		19.70	23.65	3.95	3.95	1.17	
	RDH035	227/-70		54.07	58.50	4.43	4.43	0.57	1,727
	RDH059	227/-70		1.13	19.14	18.01	18.01	0.64	
			including	1.13	3.13	2.00	2.00	1.59	
			and	9.15	13.70	4.55	4.55		182
	RDH066	220/-70		104.90	106.77	1.87	1.87	0.87	
	RDH067	220/-70		27.65	34.68	7.03	7.03		371
	RDH070	240/-70		102.51	107.74	5.23	5.23	1.15	
	RRCH012	227/-70		57.00	66.00	9.00	9.00	2.25	
	RRCH015	227/-70		51.00	60.00	9.00	9.00	0.72	243
RRCH024	227/-70	and	105.00	108.00	3.00	3.00	0.75		
			101.00	106.00	4.00	4.00	475		

HELIKON 1	HDH002	000/-90		8.24	24.42	16.18	15.1	0.97	652
	HDH003	180/-55		1.10	8.88	7.78	7.78	1.03	
			including	1.10	5.00	3.90	3.90		173
	HDH004	000/-60		5.63	8.39	2.76	2.76	2.66	367
	HDH005	180/-60		1.00	15.00	14.00	4.27	0.95	
			and	0.00	9.26	9.26	2.82		271
	HDH016	195/-60		49.05	56.15	7.10	7.10	1.06	
			and	66.57	73.32	6.75	6.75	1.02	
	HDH017	195/-60		37.01	43.08	6.06	6.07	2.30	
			and	49.39	52.36	3.90	3.90	0.96	
HRCH004	198/-60		10.00	15.00	5.00	5.00	0.71		
HDH014	000/-50		58.26	66.26	8.99	8.99	0.61		
		and	63.28	68.11	4.83	1.28		263	
HDH015	000/-70		33.63	34.85	1.92	1.02	2.52	1730	
		and	44.52	21.30	6.78	5.26	1.79		
			43.44	50.30	6.86	5.28		338	

Drilling results from the 2017 Phase 1 and Phase 2 drill programs, as well as maps showing drilling locations, are available at [www.desertlionenergy.com/projects/](http://www.desertlionenergy.com/projects/).

Phase 3 drilling was initiated in February 2018, and is focused on further delineating strike and down dip extents of lithium and tantalite mineralisation at Helikon 1 &#8211; 5, completion of delineation drilling at Marble Hill, as well as minor infill and twin drilling at Rubicon and Helikon. Approximately 7,000m of drilling is planned for Phase 3. Results from the remaining Phase 2 as well as Phase 3 drilling programs are expected early in Q2 2018, with the objective of generating a Mineral Resource estimate by the end of Q2 2018. A high resolution airborne geophysical survey, comprising magnetics and radiometrics, was completed early in 2018, and subsequent post processing and structural interpretation has generated several high priority targets, many of which are under cover.

Following completion of Phase 3 drilling, the focus of the exploration effort will shift to explore and further delineate additional Lithium-Caesium-Tantalum (LCT) type pegmatites within Desert Lion's exclusive prospecting licenses.

In regards to Desert Lion's first shipment of lithium concentrate to offtake partner Jiangxi Jinhui Lithium Co. ("Jinhui"), the Company has been advised that the ship MV Atlantic Dream is expected to arrive in Walvis Bay and begin loading on April 21, 2018. This date is five days later than originally anticipated and is due to the late sailing of the vessel, which does not impact Desert Lion's offtake agreement with Jinhui.

The Company also announces that it has issued an aggregate of 549,450 common shares in the capital of the Company ("Common Shares") to the vendors pursuant to the share purchase agreement dated November 17, 2016 (the "Share Purchase Agreement"). The Share Purchase Agreement was entered into in connection with the Company's acquisition of an 80% interest in Desert Lion Energy (Pty) Ltd., an indirect subsidiary of the Company. The Common Shares were issued at a deemed price of \$1.82 per share and are subject to a statutory hold period expiring on August 18, 2018.

**Quality Assurance and Quality Control**

The accuracy of the scientific and technical information in this news release has been verified and approved by Mike Venter, Pr.Sci.Nat. and VP Exploration for Desert Lion, who is a Qualified Person as defined by National Instrument 43-101 &#8211; Standards of Disclosure for Mineral Projects ("NI 43-101"). Mr. Venter has also verified the sampling, analytical and test data underlying the scientific and technical information disclosed herein. The exploration program was directly supervised and executed by Dr. Salif Napon, P. Geo., PhD, a Desert Lion consultant and a Qualified Person as defined by NI 43-101.

Drilling completed at Rubicon and Helikon has been carried out using DD and RC methods. Recoveries of core and chip samples from the drilling program were considered satisfactory, as were the sampling methods that follow Desert Lion's internal Standard Operating Procedures that are based on CIM Best Practice Guidelines.

Desert Lion has used two internationally accredited analytical laboratories for the preparation and analyses of its Phase 1 and 2 sampling programs to date: ALSChemex and ACTLabs, each of which is independent of Desert Lion. Over and above the laboratory quality assurance quality control ("QA/QC") routinely

implemented by both labs (in Canada) using pulp duplicate analysis, Desert Lion has developed an internal QA/QC protocol which utilizes Certified Reference Materials, blanks and coarse crush duplicates on a systematic basis with the samples shipped to the analytical laboratories, as follows: 1 standard, 1 duplicate and 1 blank are inserted every 30 samples (giving an average of 10% insertion rate). The samples assayed at ACTLabs were processed using the method named UltraTrace 7, which combines a Sodium Peroxide Fusion with ICP and ICP/MS with all metals being solubilized. The samples assayed at ALSChemex were processed using the following 2 methods: ME-MS89L (50-Element using Na<sub>2</sub>O<sub>2</sub> fusion and ICP-MS) and Li-OG63 (ore grade Li by HF-HNO<sub>3</sub>-HClO<sub>4</sub> digestion, HCl Leach).

In the Qualified Person's opinion, there are therefore no factors that could impact on the accuracy or reliability of these results.

#### About Desert Lion Energy Inc.

Desert Lion Energy is an emerging lithium development company focused on building Namibia's first large-scale lithium mine to be located 210km from the nation's capital of Windhoek. The Company's Rubicon and Helikon mines are located within a 301km<sup>2</sup> prospective land package, with known LCT type pegmatitic mineralization and the Company is currently in Phase 1 of its production plan, producing lithium concentrate from stockpiled material. The project site is accessible year-round by road and has access to power, water, rail, port, airport and communication infrastructure.

#### Forward-Looking Statements

This news release contains "forward-looking information" within the meaning of applicable securities laws. Generally, any statements that are not historical facts may contain forward-looking information, and forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget" "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or indicates that certain actions, events or results "may", "could", "would", "might" or "will be" taken, "occur" or "be achieved." Forward-looking information includes, but is not limited to: statements and expectations, with respect to continued Phase 3 drilling, the publication of a Mineral Resource Estimate, the timing of results of the drilling program and the Company's strategy, plans or future financial or operating performance.

[Desert Lion Energy Inc.](#), Tim Johnston, President & CEO; Salisha Ilyas, VP, Investor Relations, Tel: (647) 209-9200, Email: [info@desertlionenergy.com](mailto:info@desertlionenergy.com), Website: [www.desertlionenergy.com](http://www.desertlionenergy.com)

Forward-looking information is based on certain factors and assumptions management believes to be

reasonable at the time such statements are made and is inherently subject to a variety of known and

unknown risks, uncertainties and other factors that may cause the actual results, level of activity,

performance or achievements of the Company to be materially different from those expressed or implied by

such forward-looking information, including but not limited to: risks related to changes in lithium prices;

sources and cost of power and water for the Project; the estimation of initial capital requirements; the lack of

historical operations; the estimation of labour and operating costs; general global markets and economic

conditions; risks associated with exploration, development and operations of mineral deposits; the estimation

of initial targeted mineral resource tonnage and grade for the Project; risks associated with uninsurable risks

arising during the course of exploration, development and production; risks associated with currency

fluctuations; environmental risks; competition faced in securing experienced personnel; access to adequate

infrastructure to support exploration activities; risks associated with changes in the mining regulatory

governing the Company and the Project; completion of the environmental assessment process; risks related

to regulatory and permitting delays; risks related to potential conflicts of interest; the reliance on key

personnel; financing, capitalization and liquidity risks including the risk that the financing necessary to fund

continued exploration and development activities at the Project may not be available on satisfactory terms, or

at all; the risk of potential dilution through the issuance of additional common shares of the Company; the

risk of litigation.

Although the Company has attempted to identify important factors that cause results not to be as anticipated, estimated or intended, there can be no assurance that such forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. Forward-looking information is made as of the date of this presentation and the Company does not undertake to update or revise any forward-looking information this is included herein, except in accordance with applicable securities laws.

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