

ASX ANNOUNCEMENT

ASX: GSC

3 June 2016

Global
Geoscience

Global to Acquire Advanced Nevada Lithium-Boron Project

Highlights

- **Exclusive option to acquire 100% interest in an advanced Lithium-Boron project in Nevada, Rhyolite Ridge Lithium-Boron Project**
- **Rhyolite Ridge Project covers two known Lithium-Boron deposits covering a total area of over 22km²**
- **Located 340km by sealed road from the Tesla Gigafactory near Reno in the mining friendly state of Nevada, USA**
- **Over 100 previous drill holes and 450 trench and surface samples**
- **Similar “clay-type” lithium deposits include Sonora Lithium-Potassium (Bacanora Minerals, Mexico) and Jadar Lithium-Boron (Rio Tinto, Serbia)**

Global Geoscience Limited (“Global” or the “Company”) is pleased to announce that it has secured an option to acquire a 100% interest in the advanced Rhyolite Ridge Lithium-Boron Project (“the Project”) in Nevada. The option agreement entitles the Company to an exclusivity period expiring on 3 July 2016 in which to conduct due diligence on the Project, and a 12 month option period in which it may exercise the option. Due diligence, including check assaying and compilation and assessment of available drill hole data, will commence immediately.

The Acquisition of the Project will complement Global’s existing portfolio of mineral exploration projects in Nevada and provides the Company with an opportunity to leverage its extensive experience of operating in Nevada.

Global managing director, Bernard Rowe, commented “Global is extremely excited to announce the acquisition of an option to acquire the advanced Rhyolite Ridge Lithium-Boron Project in Nevada. With over 100 existing drill holes at two known lithium-boron deposits, the project provides the Company with direct exposure to a significantly advanced exploration opportunity and presents the opportunity to commence a pre-feasibility study in the near term. In addition to the exploration work already completed, we are particularly excited by the opportunity to significantly expand the area of development with approximately 75% of the land holding yet to be explored. We look forward to providing updates of our initial test work and historic exploration results shortly.”

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Location

The Project is located 60km southwest of Tonopah and 270km southeast of Reno in Nevada, USA. The Project is 30km west of Albemarle Corporation's Lithium Brine Operation at Clayton Valley, the only operating lithium mine in the USA. The tenements straddle an all weather gravel road that extends 15km from a paved highway and powerlines.

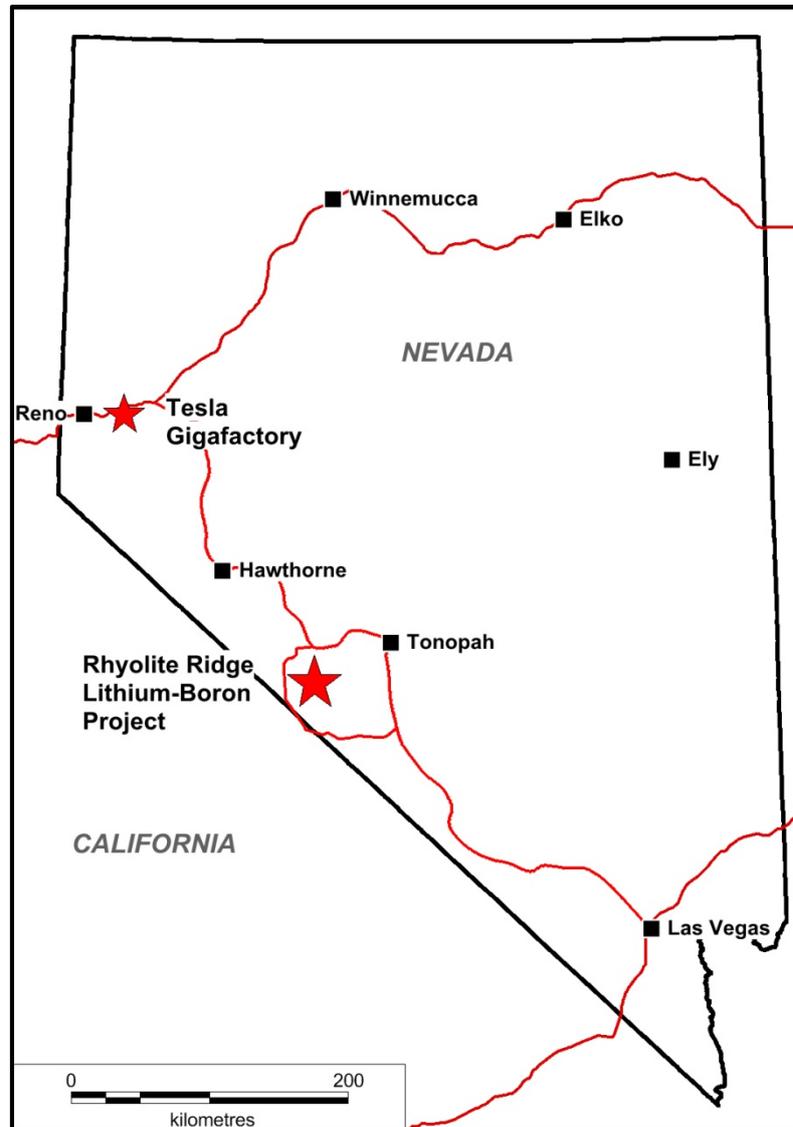


Figure 1. Location map

Deposit Geology

The Project covers two known Lithium (Li) and Boron (B) deposits that were deposited within a shallow lake environment. This type of lithium deposit is known as “clay-type”. However, these deposits differ from other more typical clay-type (hectorite) deposits making them potentially easier and cheaper to process.

The Stratabound Lithium and Boron mineralisation is hosted in a Tertiary-aged sequence of carbonate-rich fine-grained sediments and minor volcanoclastic rocks. The basin is underlain by Tertiary volcanic rocks and Cambrian sediments.

Previous Exploration at Rhyolite Ridge

At least two campaigns of modern lithium-boron exploration are known at the project. In the 1980's US Borax surface sampled and drilled a basin of lithium and boron-rich sediments over a 2km by 1km area. The area was known as the North Borate Hill project. In total, US Borax completed 57 holes totalling about 15,000m. The work was primarily focussed on boron mineralisation and the lithium mineralisation was largely ignored. The Company does not have access to these results at this stage, other than what is available in public reports.

In addition to the exploration completed at North Borate Hill, US Borax also drilled 12 holes at South Borate Hill where they described higher lithium values.

In 2010-2011 American Lithium Minerals Inc and Japan Oil, Gas and Metals National Corporation (JOGMEC) conducted further lithium exploration in the south basin area. The exploration included at least 465 surface and trench samples and 36 drill holes. The Company has access to information contained within public reports, which includes assay results for 15 of these drill holes.

As far as the Company is aware, no exploration work has been conducted on the project since 2011.

Clay-Type Lithium Deposits

Lithium clay deposits are estimated to contain approximately 7% of global lithium resources (USGS) and certain deposits are estimated to have globally competitive production costs. Similar "clay-type" deposits include Sonora (Bacanora Minerals, Mexico) and Jadar (Rio Tinto Group, Serbia).

The Sonora Lithium Project is an advanced lithium-potassium project in northern Mexico majority owned by Bacanora Minerals (TSX.V:BCN). Bacanora has recently completed a Pre-Feasibility Study (PFS) and has commenced a Feasibility Study that is due for completion in Q1 2017. The lithium mineralisation is hosted within a sequence of carbonate-rich fine-grained sediments and volcanoclastic rock.

The Jadar Lithium Project is an advanced lithium-boron project located in Serbia and owned by Rio Tinto Group. The lithium-boron mineralisation is hosted within a sequence of carbonate-rich fine-grained sediments (marls) and volcanoclastic rock.

Terms

Global Geoscience has entered into an option to purchase agreement with Boundary Peak Minerals LLC, a private Nevada company. Key terms of the agreement are:

- Global has an exclusive due diligence period expiring on 3 July 2016 in which to assess the project and decide if it wishes to proceed in return for a payment of US\$100,000 (refundable if Global's due diligence identifies material environmental liabilities or legal, permitting or title impediments).
- Global will have an option to acquire 100% of the Rhyolite Ridge Project from the seller for the following consideration:
 - US\$300,000 cash and US\$1,500,000 in Global shares (subject to 6 months voluntary escrow) payable on completion of the due diligence period;
 - US\$200,000 cash and US\$1,500,000 in Global shares (subject to 6 months voluntary escrow) payable on exercise of the option on or before the first anniversary of the date of the agreement;
 - deferred consideration of:
 - US\$1,000,000 in cash or Global shares (at the election of the seller) payable on the second anniversary of the date of the agreement (unless Global terminates the agreement prior to this date and hands the project back to the Seller); and
 - US\$3,000,000 in cash or Global shares (at the election of the seller) payable on the announcement of a decision to develop a mine on the Rhyolite Ridge Project.
- All Global shares issued will be subject to Global shareholder approval. If Global is not able to issue the shares (including because it is unable to obtain shareholder approval to do so), Global will be required to pay the relevant amount to the seller in cash.
- The number of Global shares to be issued will be determined using the 30 trading day VWAP for Global shares (15 trading days on either side of the relevant payment date) and an exchange rate of A\$1:US\$0.75.
- Prior to exercise of the option, the Seller will lease the Rhyolite Ridge Project to Global for the purposes of Global carrying out exploration and prospecting work. During that period, Global must spend a minimum of US\$1M on exploration on the project.

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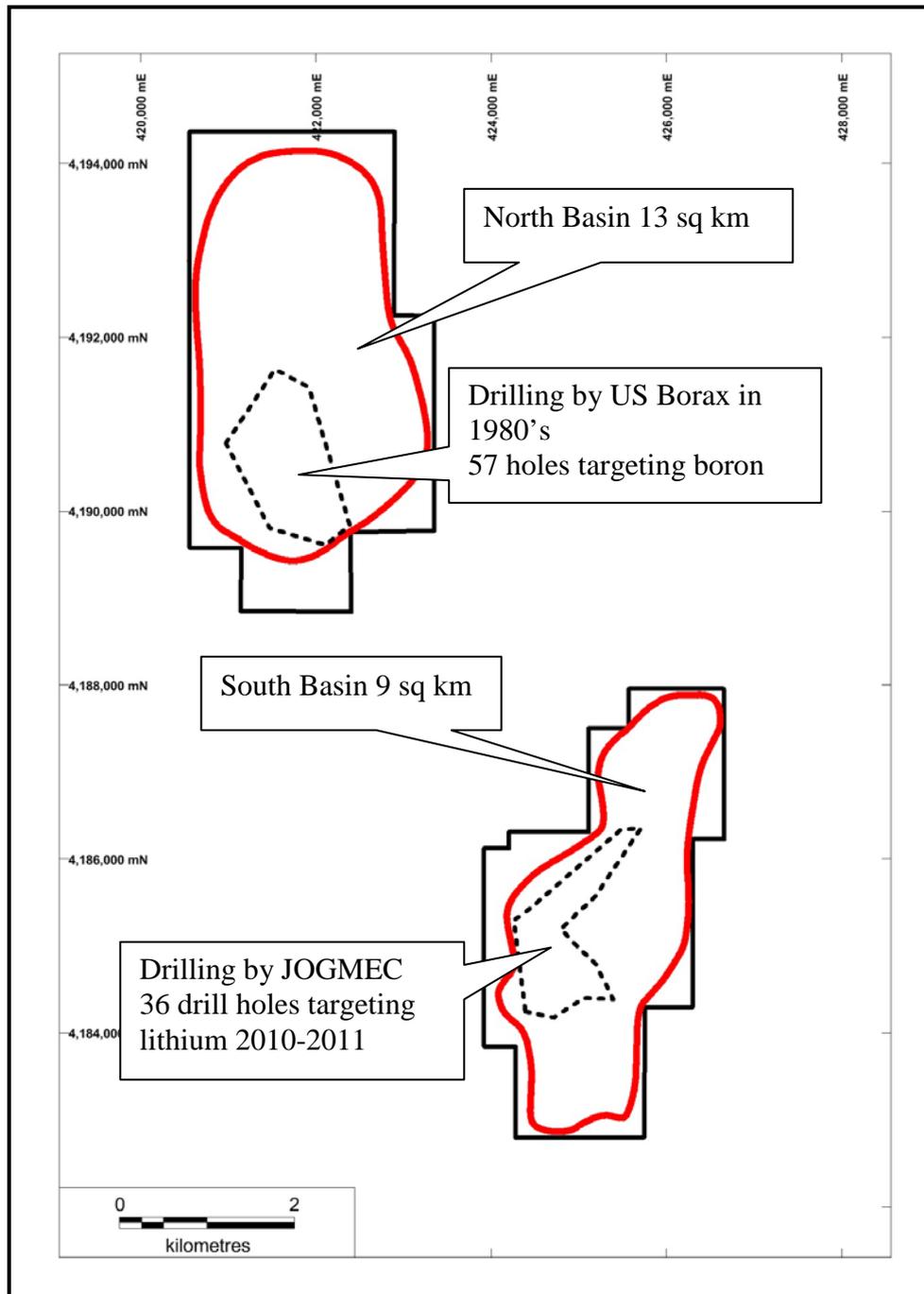


Figure 2. Map of Rhyolite Ridge Lithium-Boron Project. Tenement outline in black, sedimentary basin outline in red. (Map Projection UTM Zone 11, NAD27)

References

- U.S. Geological Survey, Mineral Commodity Summaries, January 2016
- Deutsche Bank Market Research, 2016, Lithium 101
- Rio Tinto, 30 May, 2012, Jadar lithium-borate project update, 3rd International Geosciences Student Conference
- Bacanora Minerals, Q1 2016, Investor Presentation, Developing the World's Next Major Lithium Production Project
- SRK Consulting (UK) Limited, 2015. Mineral Resource Estimate Update For The Sonora Lithium Project, Mexico. Prepared for Bacanora Minerals Ltd.