



Quarterly Activities Report

For the Period Ending 31 March 2018

Overview

Paradox Brine Project, Utah, USA:

- Drilling completed at Gold Bar Unit 2
- Purchase of SITLA oil and gas lease at Cane Creek
- Drilling completed at Cane Creek 32-1 well
 - Artesian flow from Clastic 29
 - Flow from 6170 feet
 - Continuous flow for 6 hours until plugged
 - Flow rate continued to increase with time
 - Maximum lithium value of 142 ppm Li from Clastic Zone 29
- Brine was collected during the drilling for a 3 stage metallurgical test work program, commencing with bench-top processing of a 500l brine sample leading to the design of an in-field pilot plant
- Performance of a bench-top pilot plant to be used to design an in-field pilot plant
- The in-field pilot plant aims to produce further LCE for product qualification

Corporate:

- Purchase of Cane Creek 32-1 oil and gas well and associated lease completed
- \$1.125 million raised from the exercise of listed options

Paradox Brine Project, Utah

Gold Bar 2 Drilling Completed:

The re-entry of Gold Bar 2 was completed and sampling carried out.

Drilling was to a depth of 7,280 feet and the brine samples from 4 separate Clastic Zones were sent to a certified laboratory in Nevada for assaying. Issues resulted during assaying due to the presence of oil, from the clastic horizons, in the samples.

The sampling confirmed that the supersaturated brines were still contained within the clastic zones at the northern end of the claims but the lithium values were low. However, other minerals such as Br, I and Mg were in high concentrations. This correlates with the historic results obtained at the southern end of the claims.

SITLA's Cane Creek Oil and Gas Lease Purchased:

Anson completed the acquisition of the Cane Creek 32-1 oil well and associated oil and gas lease.

The Industrial Land Permit granted in the previous quarter is also situated on this oil lease which is to be the site of the pilot plant, see Figure 1

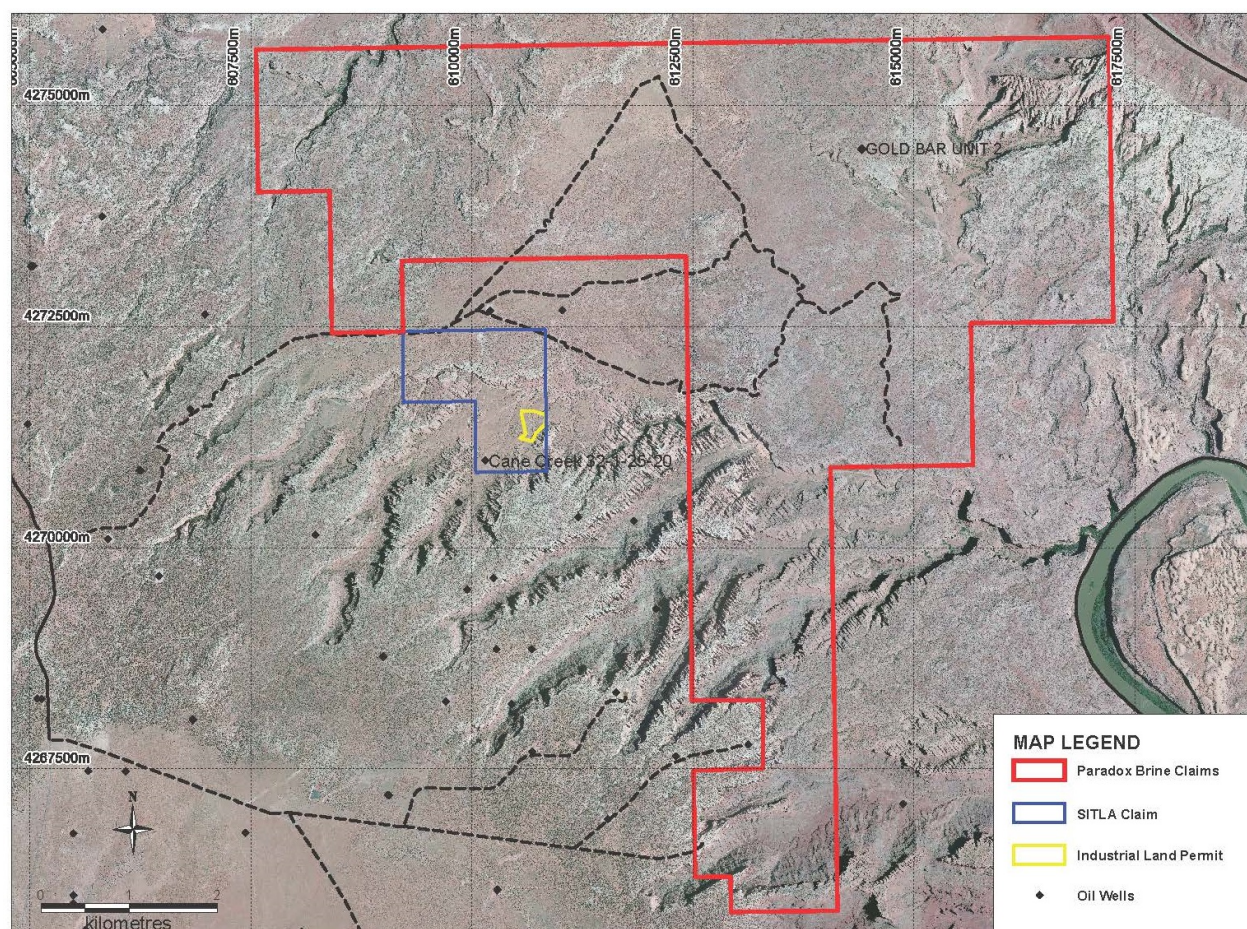


Figure 1: Map Showing the Location of the SITLA claim purchased and the Industrial Land Permit granted.

Cane Creek 32-1 Drilling Completed:

The re-entry of Cane Creek 32-1 well was completed and sampling carried out on 6 clastic horizons. As it was already an oil producing well the oil rich horizon had to be plugged off and then the perforating of the casing and sampling was completed. Plugging of the well was at 7195 feet and 100 feet of cement placed on top of the cast iron plug.

Artesian flow of the supersaturated brine from Clastic Zone 29 was obtained during the re-entry of the Cane Creek 32-1 well. The free flow of the brine from 6170 feet below surface, weighing 10.55 pounds per gallon (ppg), continued for 6 hours until the horizon was plugged off to enable the continuation of the sampling program of the Cane Creek well. The flow rate continued to increase with time until the zone was plugged. During the testing period it was noted that the clastic zone began to clean up with time which resulted in an increasing flow rate and a cleaner sample.

In addition, the flow rates of the brine aquifer were measured for future modelling, and a bulk sample was collected for processing in a bench top plant to validate earlier test work on a synthetic brine which showed that lithium carbonate and other products were expected to be able to be extracted or produced from the brine.



Figure 2: shows the supersaturated brine free flowing from the tubing of the workover rig.

It was noted that the free flowing supersaturated brine obtained from Clastic Zone 29 precipitated when the temperature dropped or the conditions changed. While the temperature of the brine was not recorded, it was noted when the sample was being collected that it was warm.

The Cane Creek 32-1 well is the second stage of this exploration program and is located 3 kilometers north of Long Canyon No 1 well and is in an area which has numerous cross-cutting

structures, see Figure 3. It is considered that the north-east striking Robert's Rupture and these cross-cutting structures provide natural fracturing of the host rock allowing the flow of fluids. Anson has a number of options for the third stage of its exploration program, including the drilling of a hole close to the Long Canyon Well which is closer to the Robert's Rupture and the cross-cutting structures. There are several options under consideration for the next drilling phase of the exploration program and the decision will be announced once the review process has been completed.

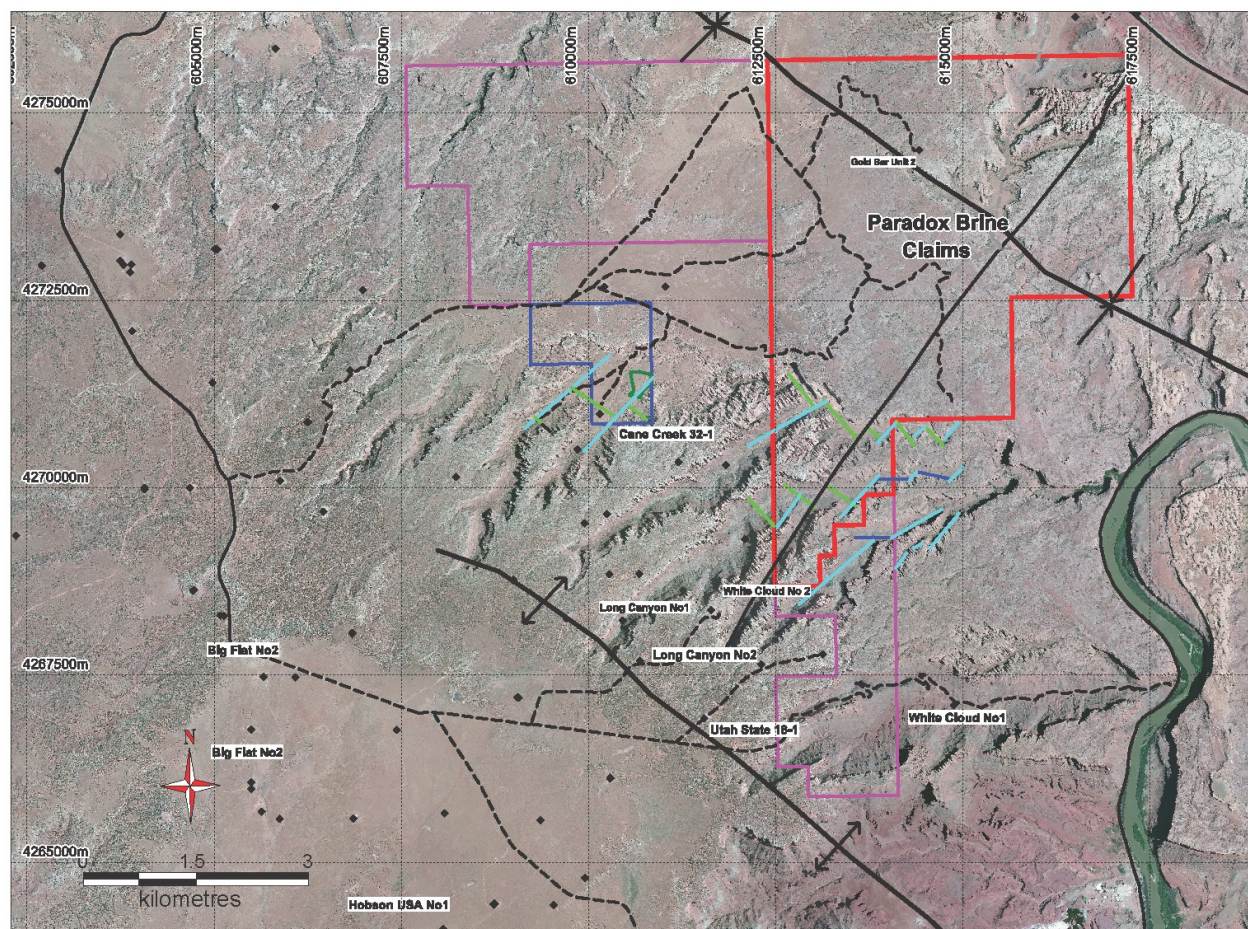


Figure 3: Plan showing the location of Cane Creek well and the cross cutting structures in the area.

Sampling Program:

Anson is targeting the lithium rich brines within Clastic Zones in the Pennsylvanian Formation in the Paradox Basin. At the same time, and for minimal incremental cost, additional Clastic Zones can be sampled. At Cane Creek, Clastic Zones 17, 19, 29, 31 and 33 were sampled. The samples have been transported to a certified laboratory with experience in oil field brines and sampled for Li and the other commodities such as Br, I, B and Mg.

Bulk samples were collected in IBC containers from all the Clastic Zones with 2,000 litres collected from Clastic Zone 29. Based upon the assay results this sample maybe suitable for processing in a bench top plant to validate earlier test work on a synthetic brine which showed that lithium carbonate and other products were expected to be able to be produced from the supersaturated brine. The results of the bench-top processing will be used in the design of an in-field pilot plant, to further validate that lithium and other minerals can be extracted from the brine.

Metallurgical Test Work and Plant Development Program:

During the Cane Creek drilling program, brine was collected for processing in a bench-top plant enabling the first lithium carbonate to be produced. Anson then plans to progress to an in-field pilot plant located on 15 acres of industrial land on which Anson has been granted a lease by the SITLA, Government of Utah.

The proposed stages of the metallurgical test work are:

- **Stage 1:** Assay samples collected from Cane Creek for lithium and other minerals at a laboratory in the USA.
- **Stage 2:** Process a 500 litre bulk sample in a bench-top plant with a goal of producing lithium carbonate.

The process to be used will be based upon that which successfully removed magnesium from the synthetic brine sample as announced by Anson on 12 April 2017. This test work will consist of extracting the boron by solvent extraction (SX), followed by the removal of the magnesium by chemical precipitation and calcium by a SX process. The final stage is the production of lithium carbonate.

In addition to producing lithium carbonate, the bench-top test work is also expected to produce other marketable minerals, which will also be offered to potential end users for qualification test work. These other minerals, which could include Boron, Bromine, Iodine and Magnesium, may provide additional revenue for the Project.

- **Stage 3:** The results of the bench-top pilot plant will be used for the design of an in-field pilot plant, including the extraction of lithium and other minerals from the Paradox Basin brines prior to progressing to further drilling, feasibility study, and ultimately full-scale production.

The in-field pilot plant is intended to validate the processes designed and tested in the laboratory scale bench-top plant, and is not intended to be a production plant.

This plant is intended to be located on 15 acres of industrial land that Anson has been granted by SITLA to lease.

About the Project:

The Paradox Brine Project consists of 492 placer claims, 89 (the ULI Claims) that are subject to an earn-in agreement and 403¹ (the A1 Lithium Claims) that are 100% owned by Anson.¹. Importantly, these additional claims are only 520 metres from a well with historical grades of 500 ppm lithium.

¹ 65 claims may be subject to area of interest provisions of the agreement to earn-into the ULI Project.

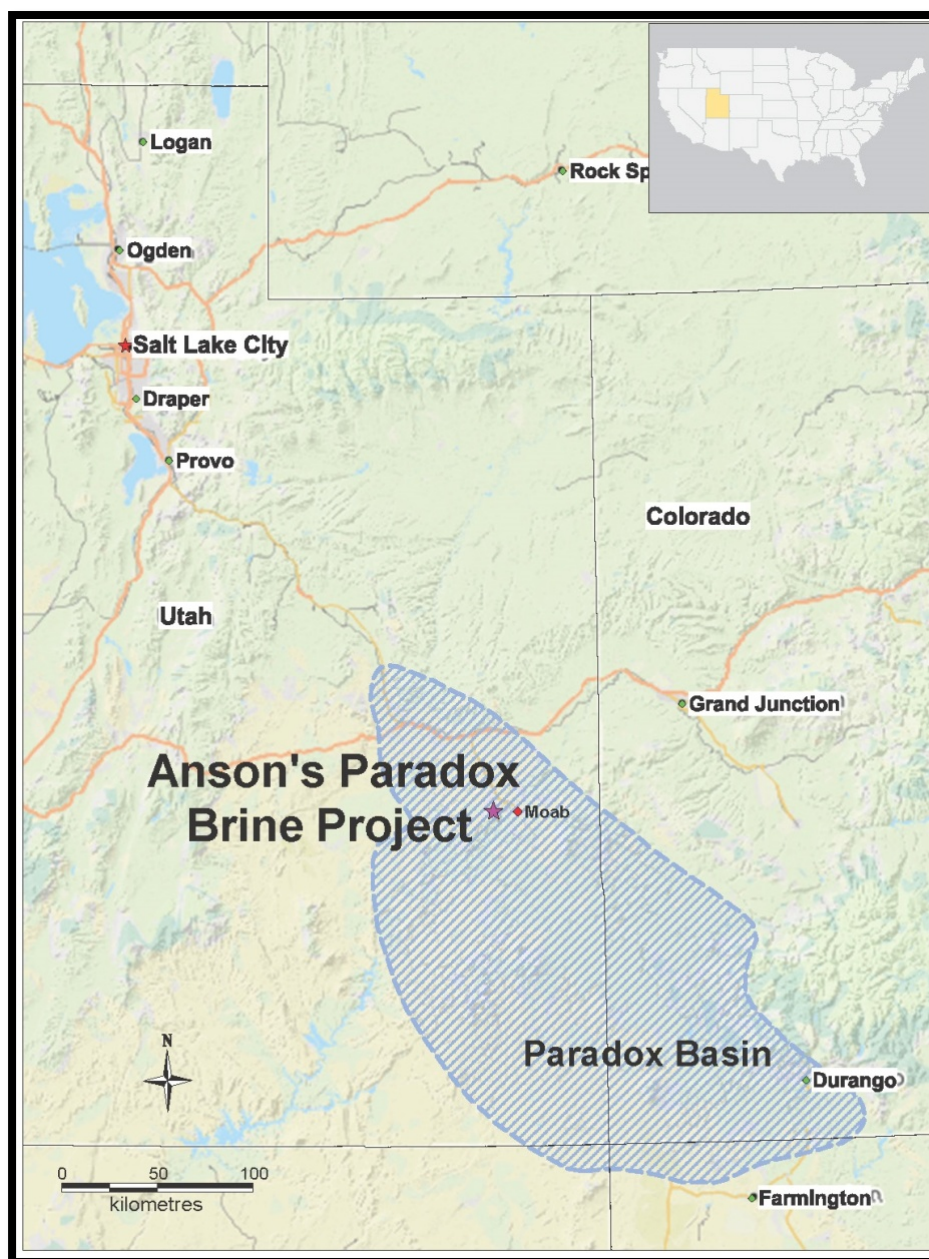


Figure 4: Location of Anson's Paradox Brine Project

The Project sits on Robert's Rupture within the Paradox Basin and has several favourable characteristics:

- 500ppm lithium has been assayed historically from Clastic Zone 31, a mere 520m away, with grades comparable to the highest known lithium brine grades worldwide;
- In addition, high concentrations of other minerals including boron and bromine were noted in assays;
- Clastic Zone 31 (containing lithium rich brines) is possibly replenished from aquifers below, and there are an additional 20 untested Clastic Zones possibly containing brines;
- Brines from Clastic Zone 31 are at higher temperature (60°C compared to 40°C) and pressure (twice) than expected; and
- It is located near the town of Moab in Utah, USA, approximately 11 hours by road from Tesla's Gigafactory.

It is a subterranean pressurised brine (SPB) project targeting brines from Clastic Zone 31, approximately 6,000 to 7,000 feet below the surface, and 20 additional brine zones above and below Clastic Zone 31 within the Pennsylvanian Paradox Formation, which has been defined in numerous oil wells drilled throughout the region.

Two wells within 800m of the south end of the claims (Long Canyon No.1 and Robert's Well) were assayed for lithium within the Clastic Zone 31 horizon, and showed lithium values of up to 1,700ppm, with an average of 500ppm. The higher lithium values were reported closest to the Robert's Rupture geological formation, which runs through the Project claims. In addition, bromine, boron and iodine were found to be in high concentrations.

The brines from Clastic Zone 31 are contained within up to 36 feet of shale, anhydrite and dolomite, and are not part of any oil reservoir. During historic drilling, over-pressurised brines (approximately twice the expected pressure of 4,953 psi) were encountered in Clastic Zone 31 and were found to be at a higher temperature than expected (60°C compared to 40°C). This resulted in the brines flowing to the surface when intersected by historic drilling.

Engineering reports from the 1960's conclude that the brine reservoir is extensive and is likely recharged from fresh in-flows of artesian water as indicated by well pressure measurements and draw-down tests.

The Ajana Project

About the Project:

The Ajana Project is located in Northampton, Western Australia, a proven and established mining province for zinc, lead and silver. The Ajana Project is adjacent to the North West Coastal Highway and 130km north of Geraldton. The prospective ground on the 222km² of tenements E66/89, E66/94 and E66/100 (under application) contain extensive areas of graphitic schist mineralization. The Ajana area is dominated by the Proterozoic gneiss with conformable lenses of meta-sediment, pelitic gneiss, meta-quartzite, mafic gneiss and graphitic schist known as the Northampton Metamorphic Complex, which typically hosts high-grade graphite deposits in Western Australia and graphite deposits worldwide.

Project Assessment:

Following drilling programs in previous quarters, interpretation of data is ongoing to assist in planning the next stages of exploration.

Hooley Well Cobalt-Nickel Laterite Project

About the Hooley Well Project:

The Hooley Well Nickel-Cobalt Laterite Project is located 800km north of Perth and 300km north-east of Geraldton in Western Australia. Tenements E9/2218 and E9/2219 contain historical shallow drilling which has intersected nickel and cobalt laterites.

Tenement E9/2219 was granted in the quarter.

Iconic Minerals Ltd

Anson has an interest in the TSX.V listed company Iconic Minerals Ltd, acquired in the September 2015 quarter. The shares held by Anson were valued at \$149k at 31 March 2018.

Corporate

Cash and Marketable Securities:

At 31 March 2018 the Company had cash on hand of \$2.9m.

In addition, the Company has investments in a listed company valued at \$149k at 31 March 2018.

Capital Raising – Exercise of Options:

During the quarter a total of \$1.125 million was raised through the exercise of the Company's listed 2.5 cent options.

Capital Raising – Other:

Anson has received approaches from several parties interested in participating the next stages of development of the Paradox Lithium Project. The Company is continuing to evaluate its capital raising alternatives to ensure it maximises the opportunity.

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The information in this report that relates to exploration results and geology for the geological projects is based on information compiled and/or reviewed by Mr Greg Knox, a member in good standing of the Australasian Institute of Mining and Metallurgy. Mr Knox is a geologist who has sufficient experience which is relevant to the style of mineralisation under consideration and to the activity being undertaken to qualify as a "Competent Person", as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves and consents to the inclusion in this report of the matters based on information in the form and context in which they appear. Mr Knox is a director of Anson and a consultant to Anson.

Forward Looking Statements: Statements regarding plans with respect to Anson's mineral projects are forward looking statements. There can be no assurance that Anson's plans for development of its projects will proceed as expected and there can be no assurance that Anson will be able to confirm the presence of mineral deposits, that mineralisation may prove to be economic or that a project will be developed.

About Anson Resources Ltd

The Company listed on the Australian Securities Exchange in July 2010 and has a goal to create long-term shareholder value through the discovery, acquisition and development of natural resources that meet the demand of tomorrow's new energy and technology markets.

APPENDIX A: INTERESTS IN MINING TENEMENTS

Project	Lease	Commodity	Holder	Locality	Status
Ajana	E66/89	Graphite	Rhodes Resources Pty Ltd	WA	Granted
Ajana	E66/94	Graphite	Anson Resources Limited	WA	Granted
Ajana	E66/100	Graphite	Anson Resources Limited	WA	Application
Hooley Well	E9/2218	Cobalt	Western Cobalt Pty Ltd	WA	Granted
Hooley Well	E9/2219	Cobalt	Anson Resources Ltd	WA	Granted
Paradox Brine	89 placer claims	Lithium	(i)	Utah, USA	(i)
Paradox Brine	202 placer claims	Lithium	A1 Lithium Inc.	Utah, USA	(ii)
Paradox Brine	201 placer claims	Lithium	A1 Lithium Inc.	Utah, USA	(iii)

(i) Anson currently holds a 10% interest in 89 Placer Claims in Utah, USA (the ULI Project) and can earn further interests as follow:

- (a) 40% by defining the location(s) for one or more drill holes, issuing a NI 43-101 technical report, and expending US\$666,000; and then
- (b) 20% by drilling and logging one or more holes, issuing a NI 43-101 technical report, and expending US\$2,330,000.

At the date of this Report, the holder of the current 90% interest had not completed the formalities to transfer the claims to the joint venture company (Paradox Lithium LLC) established for this purpose.

These claims are referred to as ULI-13, ULI-14, ULI-14S, ULI-15, ULI-15S, ULI-16, ULI-16S, ULI-30, ULI-31, ULI-32, ULI-33, ULI-34, ULI-39, ULI-40, ULI-41, ULI-57, ULI-58, ULI-59, ULI-60, ULI-61, ULI-62, ULI-68, ULI-69, ULI-70, ULI-71, ULI-77, ULI-78, ULI-79, ULI-81, ULI-82, ULI-35, ULI-36, ULI-37, ULI-38, ULI-42, ULI-43, ULI-54, ULI-55, ULI-56, ULI-60-E, ULI-61-E, ULI-62-E, ULI-63, ULI-64, ULI-64 N, ULI-65, ULI-65 W, ULI-66, ULI-67, ULI-84, ULI-85, ULI-86, ULI-87, ULI-80, ULI-81 W, ULI-83, ULI-88, ULI-89, ULI-90, ULI-91, ULI-92, ULI-93, ULI-93 E, ULI-94, ULI-95, ULI-96, ULI-97, ULI-97 E, ULI-98, ULI-98 N, ULI-99, ULI-100, ULI-101, ULI-102, ULI-102 N, ULI-103, ULI-104, ULI-105, ULI-105 N, ULI-106, ULI-107, ULI-107 N, ULI-108, ULI-109, ULI-110, ULI-111, ULI-112, ULI-113, and ULI-114.

(ii) The Company currently holds a 100% interest in 202 Placer Claims in Utah, USA. Under the terms of the earn-in agreement referred to in point (i) above for the ULI Project, these placer claims may be subject to area of interest provisions of the agreement to earn-into the ULI Project.



These claims are referred to as ULI201, ULI202, ULI203, ULI204, ULI205, ULI206, ULI207, ULI208, ULI209, ULI210, ULI211, ULI212, ULI213, ULI214, ULI215, ULI216, ULI217, ULI218, ULI219, ULI220, ULI221, ULI222, ULI223, ULI224, ULI225, ULI226, ULI227, ULI228, ULI229, ULI230, ULI231, ULI232, ULI233, ULI234, ULI235, ULI236, ULI237, ULI238, ULI239, ULI240, ULI241, ULI242, ULI243, ULI244, ULI245, ULI246, ULI247, ULI248, ULI249, ULI250, ULI251, ULI252, ULI253, ULI254, ULI255, ULI256, ULI257, ULI258, ULI259, ULI260, ULI261, ULI262, ULI263, ULI264, ULI265, ULI266, ULI267, ULI268, ULI269, ULI270, ULI271, ULI272, ULI273, ULI274, ULI275, ULI276, ULI277, ULI278, ULI279, ULI280, ULI281, ULI282, ULI283, ULI284, ULI285, ULI286, ULI287, ULI288, ULI289, ULI290, ULI291, ULI292, ULI293, ULI294, ULI295, ULI296, ULI297, ULI298, ULI299, ULI300, ULI301, ULI302, ULI303, ULI304, ULI305, ULI306, ULI307, ULI308, ULI309, ULI310, ULI311, ULI312, ULI313, ULI314, ULI315, ULI316, ULI317, ULI318, ULI319, ULI320, ULI321, ULI322, ULI323, ULI324, ULI325, ULI326, ULI327, ULI328, ULI329, ULI330, ULI331, ULI332, ULI333, ULI334, ULI335, ULI336, ULI337, ULI338, ULI339, ULI340, ULI341, ULI342, ULI343, ULI344, ULI345, ULI346, ULI347, ULI348, ULI349, ULI350, ULI351, ULI352, ULI353, ULI354, ULI355, ULI356, ULI357, ULI358, ULI359, ULI360, ULI361, ULI362, ULI363, ULI364, ULI365, ULI366, ULI367, ULI368, ULI369, ULI370, ULI371, ULI372, ULI373, ULI374, ULI375, ULI376, ULI377, ULI378, ULI379, ULI380, ULI381, ULI382, ULI383, ULI384, ULI385, ULI386, ULI387, ULI388, ULI389, ULI390, ULI391, ULI392, ULI393, ULI394, ULI395, ULI396, ULI397, ULI398, ULI399, ULI400, ULI401, and ULI402.

The Company currently holds a 100% interest in 201 Placer Claims in Utah, USA. These claims are referred to as ULI501, ULI502, ULI503, ULI504, ULI505, ULI506, ULI507, ULI508, ULI509, ULI510, ULI511, ULI512, ULI513, ULI514, ULI515, ULI516, ULI517, ULI518, ULI519, ULI520, ULI521, ULI522, ULI523, ULI524, ULI525, ULI526, ULI527, ULI528, ULI529, ULI530, ULI531, ULI532, ULI533, ULI534, ULI535, ULI536, ULI537, ULI538, ULI539, ULI540, ULI541, ULI542, ULI543, ULI544, ULI545, ULI546, ULI547, ULI548, ULI549, ULI550, ULI551, ULI552, ULI553, ULI554, ULI555, ULI556, ULI557, ULI558, ULI559, ULI560, ULI561, ULI562, ULI563, ULI564, ULI565, ULI566, ULI 567, ULI568, ULI569, ULI570, ULI571, ULI572, ULI573, ULI574, ULI575, ULI576, ULI577, ULI578, ULI579, ULI580, ULI581, ULI582, ULI583, ULI584, ULI585, ULI586, ULI587, ULI588, ULI589, ULI590, ULI591, ULI592, ULI593, ULI594, ULI595, ULI596, ULI597, ULI598, ULI599, ULI600, ULI601, ULI602, ULI603, ULI604, ULI605, ULI606, ULI607, ULI608, ULI609, ULI610, ULI611, ULI612, ULI613, ULI614, ULI615, ULI616, ULI621, ULI622, ULI623, ULI624, ULI625, ULI626, ULI627, ULI628, ULI629, ULI630, ULI631, ULI632, ULI633, ULI634, ULI635, ULI636, ULI637, ULI638, ULI639, ULI640, ULI645, ULI646, ULI647, ULI648, ULI653, ULI654, ULI655, ULI656, ULI661, ULI662, ULI663, ULI664, ULI665, ULI666, ULI667, ULI668, ULI669, ULI670, ULI671, ULI672, ULI673, ULI674, ULI675, ULI676, ULI677, ULI678, ULI679, ULI680, ULI681, ULI682, ULI683, ULI688, ULI689, ULI690, ULI691, ULI696, ULI697, ULI698, ULI699, ULI700, ULI701, ULI702, ULI703, ULI704, ULI705, ULI706, ULI707, ULI708, ULI709, ULI710, ULI711, ULI712, ULI713, ULI714, ULI715, ULI716, ULI717, ULI718, ULI719, ULI720, ULI721, ULI722, ULI723, ULI724 and ULI725.

Under the terms of the earn-in agreement referred to in point (i) above for the ULI Project, 65 of these placer claims may be subject to area of interest provisions of the agreement to earn-into the ULI Project.