

6 June 2022

ASX ANNOUNCEMENT

ASX: ASN, ASNOC, ASNOD

OTC: ANSNF

Paradox Lithium Project Strategic Expansion: DFS targeting production capacity of 10,000tpa of Battery-Grade Lithium Carbonate

Highlights:

- **Anson confirms plans for a major increase in planned production capacity of its core asset, the Paradox Lithium Project in Utah, USA.**
- **Project's Detailed Feasibility Study ("DFS") to target Stage 1 production capacity of 10,000 tonnes per annum of battery grade lithium carbonate.**
 - **This represents a 275% increase in production capacity from the 2,674tpa published in the Project's Updated Preliminary Economic Assessment (1 September 2021).**
- **Anson's decision to increase lithium production capacity is driven by;**
 - **Anticipated significant JORC resource increase at the Project;**
 - **Growing lithium demand and higher lithium prices; and**
 - **Enhanced lithium recoveries and superior performance of Anson's 99.95% purity lithium carbonate.**
- **Bromine production capacity at the Paradox Project is to be added progressively, to align with forecast substantial demand growth for zinc-bromine batteries (for renewable energy storage) and other bromine derivative products.**
- **Development of the Paradox Project is progressing rapidly, with the DFS being undertaken by leading engineering company Worley well advanced, and a major Resource expansion program ongoing.**
- **Battery Grade Lithium Carbonate is currently selling for around US\$79,550/t¹.**

Anson Resources Limited ("**Anson**" or "**the Company**") is pleased to provide the following update to the development strategy of the Paradox Lithium Project ("**the Paradox Project**") in Utah, in the USA.

¹ Battery Grade Lithium Carbonate Price China EXW as at 30 April 2022, Source S&P Capital IQ

Substantial developments in the lithium market, combined with the unique attributes of the Paradox Project, have allowed Anson to pursue a major expansion of the planned Stage 1 Lithium Carbonate production capacity to 10,000 tonnes per annum.

This represents an increase in planned production capacity of 275% on the 2,674 tonnes per annum target previously reported in the Paradox Project's Updated Preliminary Economic Assessment (ASX announcement, 1 September 2021).

This strategic expansion will be incorporated into the Paradox Project's Detailed Feasibility Study ("DFS"), which is being undertaken by global engineering firm, Worley.

This major expansion in planned production capacity is driven by:

1. **Anticipated JORC Resource upgrade and increase** to be delivered from the ongoing Resource Expansion Program, and increased project area (*refer ASX announcements 17 January 2022, 2 February 2022, 28 March 2022, 23 May 2022 and 1 June 2022*);
2. **Higher lithium recoveries** achieved from Anson's Direct Lithium Extraction ("DLE") test work; **91.5% recoveries** against previously estimated 80% (*refer ASX announcement 13 August 2021*);
3. **In excess of 1,000% increase in the Lithium Carbonate price** over the past 24 months driven by forecast demand growth, stemming from the global electric vehicle revolution (see Figure 1 below);

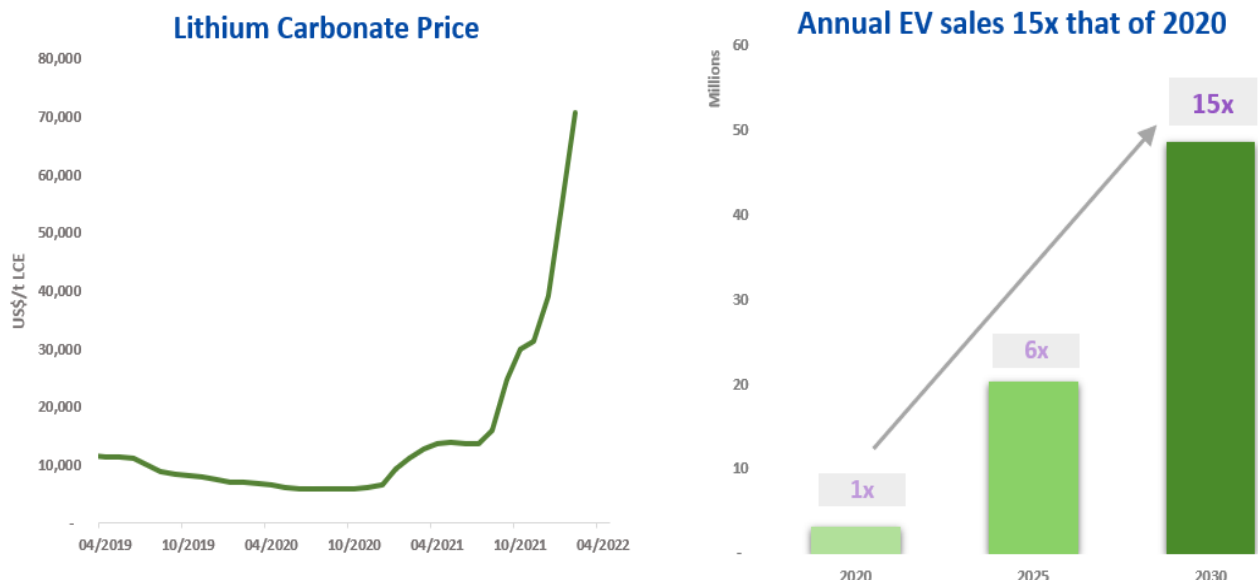


Figure 1: Lithium Carbonate price chart¹ versus forecast increase electric vehicle sales²

² IEA (2021), Global EV Outlook 2021, IEA, Paris <https://www.iea.org/reports/global-ev-outlook-2021>

4. **Rapid expansion in private sector investment in lithium-ion battery manufacturing facilities** in the United States (see Figure 2 below) and increased offtake activity for sustainably produced Lithium Carbonate;
5. **The superior performance of Anson's 99.95% purity Lithium Carbonate** relative to commercially available battery-grade Lithium Carbonate in lithium-ion battery cells, indicating a longer battery lifespan (*refer ASX announcement 9 September 2021*);
6. **The designation by the US Government of lithium as a critical mineral**, with domestic production being in the national interest; and
7. The allocation of approximately **US\$20 billion in low interest loans by the US Government to support the transition from fossil fuels to an alternative energy economy**, including the development of a domestic lithium supply chain.

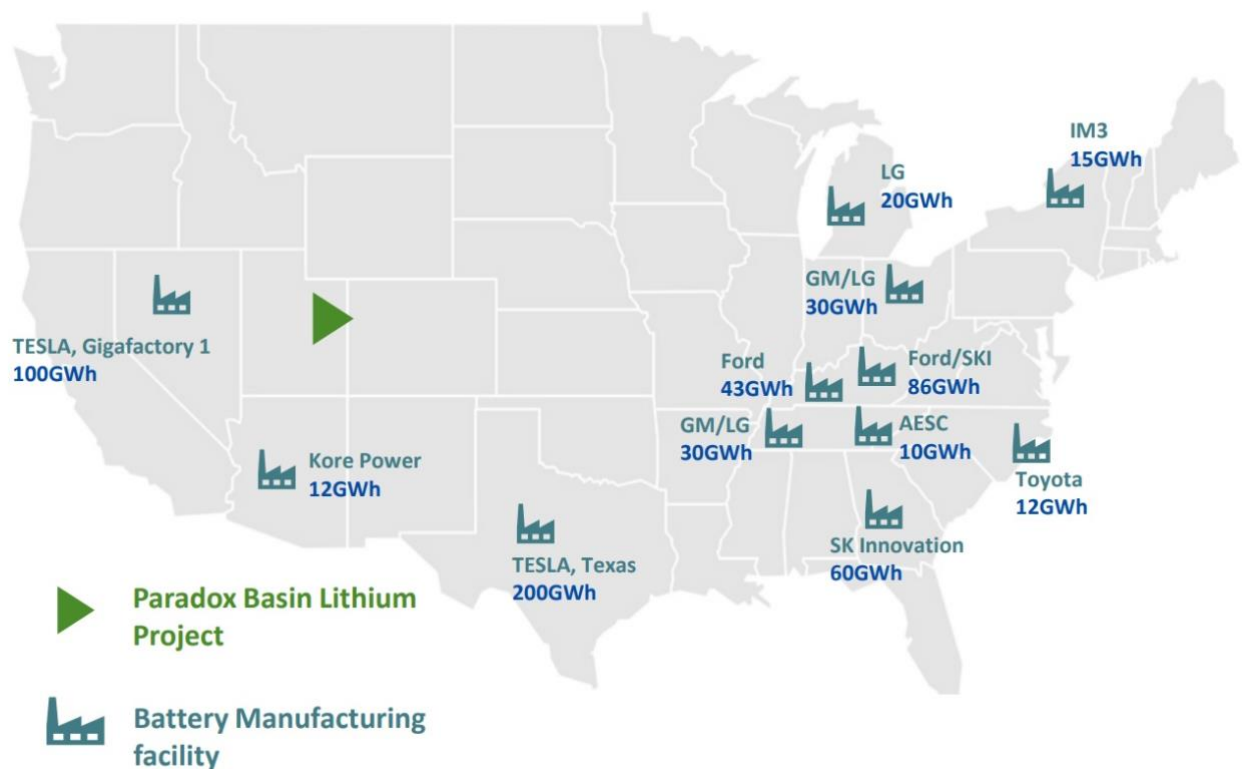


Figure 2: Pipeline of U.S. Giga factories relative to the Paradox Lithium Project³

³ S&P Market Intelligence, Benchmark Mineral Intelligence

Bromine – Providing Access to Growing US Renewable Energy Storage Market

Anson also advises that Bromine production capacity at the Paradox Lithium Project is to be progressively added, and will be aligned with market / customer requirements.

The United States and global markets are experiencing a substantial increase in demand for zinc-bromine batteries, to support electricity networks and renewable energy storage, and other bromine derivative products. This includes calcium-bromide (CaBr) and sodium-bromide (NaBr), which are used in multiple industrial applications.⁴

Anson has extended its Memorandum of Understanding with New York Stock Exchange-listed TETRA Technologies Inc (Tetra, NYSE: TTI), a leader in the production of zinc bromide and other bromine derivative products (*refer ASX announcement 6 April 2022*).

The Company is making significant progress toward a final investment decision on the Paradox Project, with the DFS well advanced and multiple Resource upgrade and expansion workstreams progressing. The DFS will reflect the updated lithium development strategy.

Anson's Executive Chairman, Mr. Bruce Richardson stated:

"The decision to increase our proposed Stage 1 Lithium Carbonate production capacity to 10,000tpa will enable Anson's shareholders to take advantage of the burgeoning lithium market and realise more value from of the immense potential of the Paradox Lithium Project.

The U.S. location of the Project means Anson is strategically well-placed to benefit from increasing commitments by U.S. car manufacturers towards Electric Vehicles and announced investments in developing U.S. based battery manufacturing facilities.

We are also excited by the enormous potential that exists in the development of zinc-bromine batteries to support electricity networks and provide power storage. We are fortunate to have a massive bromine endowment that we can bring into production progressively to match customer demand for zinc-bromine batteries and other bromine derivative products."

This announcement has been authorised for release by the Executive Chairman and CEO.

ENDS

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⁴ Anson's Updated Preliminary Economic Assessment ("PEA") for Stage 1 of the Paradox Lithium Project included work undertaken by a third-party engineering company in the development of a Prefeasibility Study (PFS) for a 15,000tpa sodium bromine plant (NaBr). See ASX announcement 1 September 2021.

About Anson Resources Ltd

Anson Resources (ASX : ASN) is an ASX-listed junior mineral resources company, with a portfolio of minerals projects in key demand-driven commodities. Its core asset is the Paradox Lithium Project in Utah, in the USA. Anson is focused on developing the Paradox Lithium Project into a significant lithium producing operation. The Company's goal is 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.

Compliance Statements

Information included in this presentation relating to Production Targets has been extracted from the ASX Announcement titled "Paradox Brine Stage 1 Sodium Bromide/Lithium Updated PEA" dated 1 September 2021 and available to view at www.asx.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the announcement and that all material assumptions and technical parameters underpinning the estimates, production targets and financial forecasts continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the Ore Reserves Statement.