PAN ASIA METALS

ASX Announcement | January 19, 2023

Reung Kiet Lithium Project
Metallurgical Test-work Results

HIGHLIGHTS

- Metallurgical flotation testwork results based on diamond drill core samples finalised.
- Lithium mica concentrate grades up to 3.0% Li_2O with lithium recoveries up to 78%.
- Both fresh and weathered mineralisation are amenable to conventional crushing, grinding and flotation using almost identical flowsheets.
- Flotation reagent costs estimated at $1.00/t and $2.50/t for fresh and weathered mineralisation respectively.
- ALS to test lithium mica concentrate produced from testwork for conversion to lithium carbonate via sulphate roasting, a method commonly used for lepidolite conversion in China.
- Glencore Technology to test lithium mica concentrate produced from testwork for lithium extraction via oxidative acid leaching and subsequent conversion to lithium carbonate.
- Nagrom conducting confirmatory and optimization testwork.
- Nagrom conducting flotation testwork of product from 'ore-sorting' testwork.
- PAM aiming to move straight into Pre-Feasibility Study in support of Mining Lease Applications.

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Battery and critical metals explorer and developer Pan Asia Metals Limited (ASX: PAM) ('PAM' or 'the Company') is pleased to provide initial metallurgical testwork results for flotation recovery of lithium mica concentrates using representative sample from the Reung Kiet lithium prospect.

Pan Asia Metals Managing Director Paul Lock said: *"The metallurgical testwork results are exceptional, a 3% lithium oxide concentrate and 78% recoveries from a representative sample containing modelled internal and external dilution and reflecting what are considered to be mineable widths in an open cut mine, is a very good outcome. With further optimization testwork underway, which will incorporate the ore sorting results previously reported, we are confident that grade and recovery improvements will be seen. We are also very pleased to report that a lithium concentrate was produced from the weathered zone using industry standard methods and undergoing similar comminution and beneficiation to the fresh zone. This is important as the weathered zone can now be included as a source of lithium oxide concentrate for mine planning purposes, and although recoveries were slightly lower the weathered zone is essentially free dig and therefore it is reasonable to expect lower mining costs. The concentrates will now undergo roasting and conversion testwork with ALS Global in Perth to produce lithium carbonate. Testing will use a sulphate roast, a process predominantly used in China which is low cost and de-risked. We will also conduct preliminary oxidative acid leach test work with Glencore Technology in Brisbane. With a satisfactory outcome to the upcoming Mineral Resource upgrade PAM intends to progress straight to a Pre-feasibility study for the Reung Kiet Lithium Project and would be aiming for completion later this year. PAM's aim is to submit a Mining License Application (MLA) for the Reung Kiet Lithium Prospect in mid 2023 and an MLA for the Bang I Tum Prospect in late 2023/early 2024. While the MLA process is underway PAM will be completing other studies relevant to the PFS."*

The Reung Kiet Lithium Project (RKLP) is one of PAM's key assets. RKLP is a hard rock lithium project with lithium hosted in lepidolite/mica rich pegmatites chiefly composed of quartz, albite, lepidolite and muscovite, with minor cassiterite and tantalite as well as other accessory minerals. Previous open pit mining extracting tin from the weathered pegmatites was conducted into the early 1970's.

PAM's objective has been to continue drilling with the aim of increasing and upgrading the existing Mineral Resource, which will then be used as part of a Pre-Feasibility Study that will consider various options to determine the technical and economic viability of the project including the LCE production profile as well as associated by-products.
PAM is focusing on lepidolite as a source of lithium as peer group studies indicate that lithium carbonate and lithium hydroxide projects using lepidolite as their plant

feedstock have the potential to be placed near the bottom of the cost curve. Lepidolite has also been demonstrated to have a lower carbon emission intensity than other lithium sources.

Reung Kiet Prospect (RK)

The RK Prospect was a relatively large open cut tin mine. The old pit is about 500m long and up to 125m wide (see Figure 1).

Mining of the weathered pegmatites extended up to 30m below surface, to the top of hard rock. Pan Asia has identified a prospective zone at least 1km long, reporting an Inferred Mineral Resource estimate as shown in Table 1. Please refer to PAM ASX announcement, "Inaugural Mineral Resource Estimate Reung Kiet Lithium" dated June 28, 2022.

Table 1. RKLP - Reung Kiet Prospect - Inferred Mineral Resource, 28 June, 2022

	Million Tonnes	Li_2O %	Sn %	Ta_2O_5 %	Rb %	Cs %	LCE (t)
Oxide & Transitional	3.2	0.49	0.03	0.009	0.15	0.02	38,611
Fresh	7.2	0.42	0.04	0.009	0.16	0.02	74,416
Total	**10.4**	**0.44**	**0.04**	**0.009**	**0.16**	**0.02**	**113,027**

Mineral Resource reported above 0.25% Li_2O% cut-off. Appropriate rounding applied.

The Mineral Resource is based upon the first 46 holes drilled at Reung Kiet. Ongoing drilling has seen the completion of an additional 54 holes, most of which will be included in the Mineral Resource update which aims to increase the Mineral Resource tonnage and upgrade portions of the Mineral Resource from Inferred to Indicated and possibly Measured classification.

The pegmatite swarms remain open to the north and south and at depth on many sections (see Figure 1).

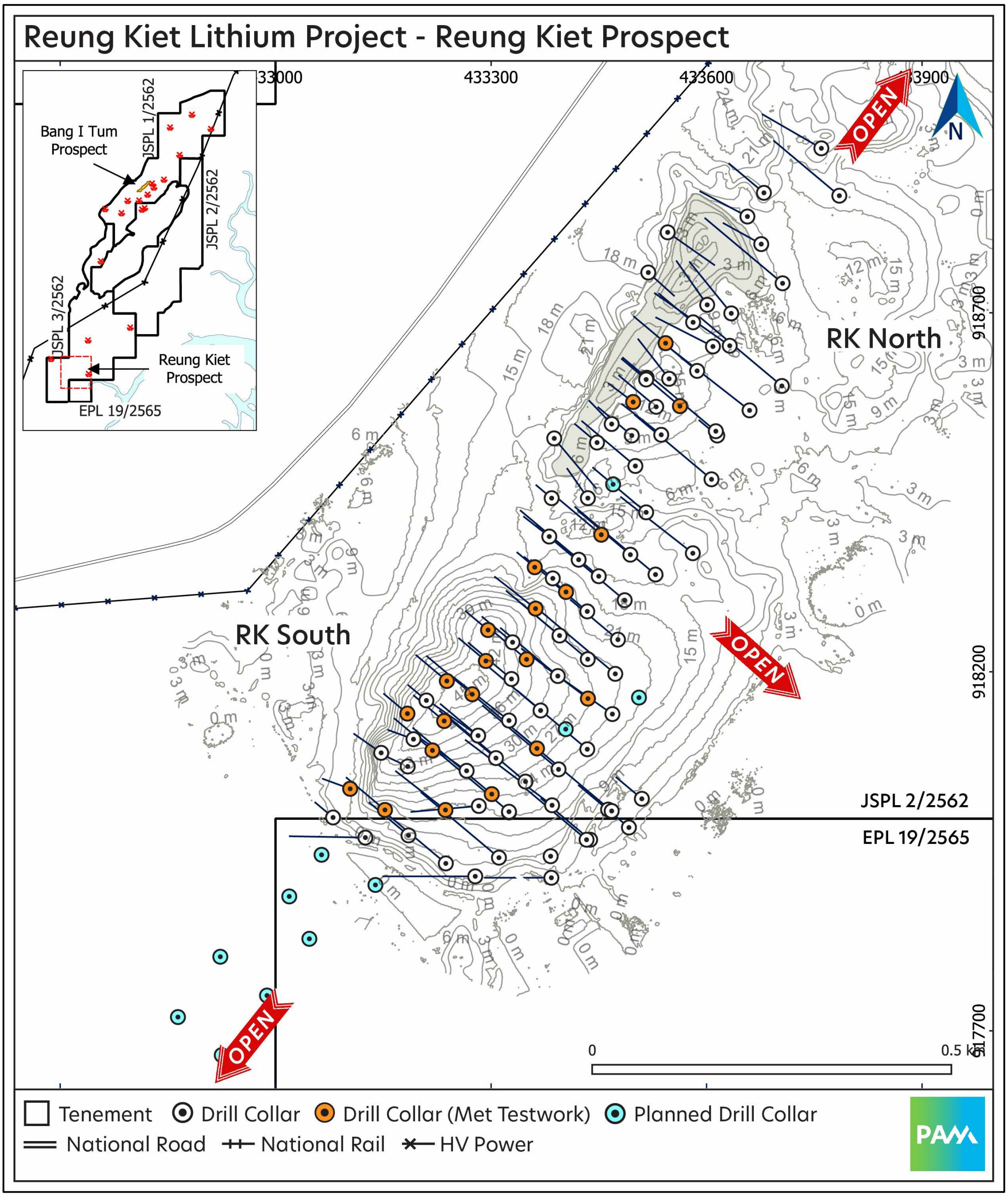

Figure 1. Reung Kiet Prospect, Phang Nga Province, southern Thailand

Metallurgical Testwork Details

The testwork was conducted on two separate composites comprised of fresh and weathered mineralisation derived from laboratory 'coarse crush rejects' (100% <3.35mm) from ½ HQ sized drill core selected from drillholes identified in Figure 1 (orange drill collars).

The fresh composite sample weighed approximately 125kg and was derived from 278 individual samples from 16 holes. This sample returned a head assay of 0.62% Li_2O. The oxide composite weighed approximately 100kg, derived from 133 individual samples from 11 holes. It returned a head assay of 0.77% Li_2O.

The samples were selected to represent mineralisation throughout the deposit and reflect what are considered to be mineable widths in a potential open cut mine. Therefore, the samples contain both internal and external dilution predominantly composed of low-grade siltstone.

The samples were delivered to the technology division of Beijing General Research Institute of Mining & Metallurgy (BGRIMM) in China. BGRIMM has particular experience and expertise regarding metallurgical aspects of lithium mica 'lepidolite' deposits in China. The testwork was overseen by Dr Evan Kirby of Metallurgical Management Services, a metallurgist with over 45 years experience in minerals testing and feasibility work, including several assignments with BGRIMM.

China is the only jurisdiction where lithium chemicals are being commercially produced from lepidolite 'ores'. The Hard Rock LCE Cost Curve in Figure 2 below uses data compiled by Wood Mackenzie (Asia Pacific) Pte. Ltd. (WM) for Tianqi Lithium Corporation[1]. **It demonstrates the cost competitiveness of lepidolite as a source of LCE and that China produced approximately 50,000t of LCE from lepidolite in 2021, representing about 18% of global hard-rock LCE production.** Benchmark Intelligence recently stated, "We will see more lepidolite be brought online in China in 2023."

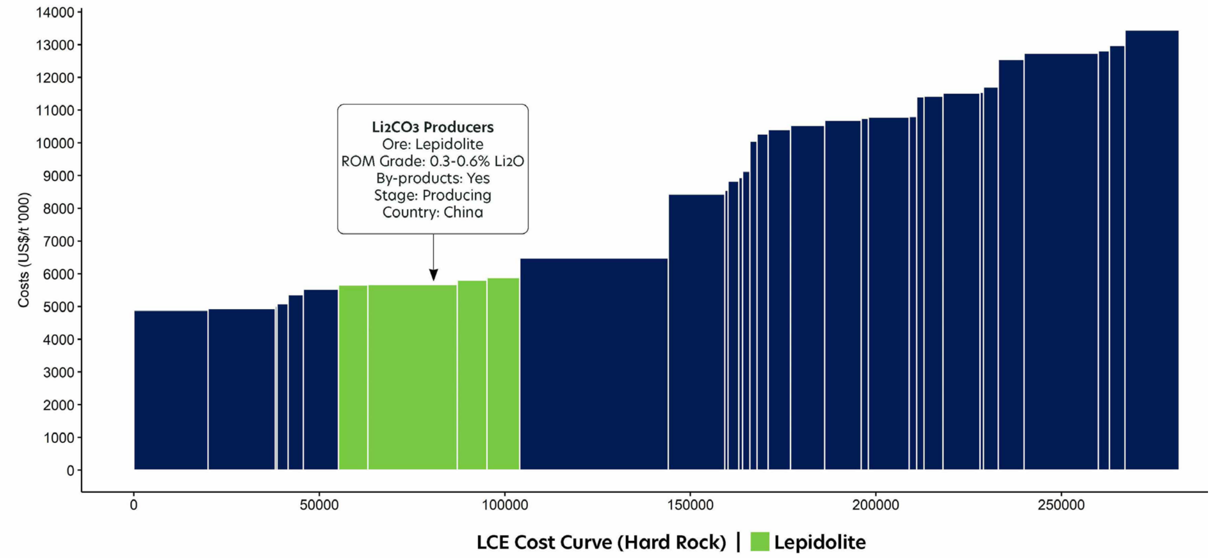

Figure 2. 2021 Hard Rock LCE Cost Curve (Source: Wood Mackenzie, modified)

BGRIMM carried out extensive process mineralogy and beneficiation research and testwork on the samples provided by PAM. The research included ICP spectrometry, chemical composition analysis, mineral composition and relative content determination, characteristics and grain size of the main lithium minerals, study of the occurrence state of lithium, study on the association and separation characteristics of main lithium minerals in different grinding products, analysis of mineralogy factors influencing lithium recovery.

Beneficiation research and testwork included acid-base process scheme comparison tests, flotation tests using different grind sizes, contrast tests for desliming and not desliming, and different desliming quantities, type and amount of reagents/conditioning tests, type and amount of collector tests, flotation time tests, flotation tests for the regrinding fineness, tests for cleaning conditions, rougher concentrate screening analysis, classification and separation test for rougher concentrate, several open circuit process comparison tests and closed circuit tests.

The technical means and instruments used in this study included chemical analysis, optical microscopy, scanning electron microscopy, electron micro-probe analysis, Advanced Mineral Identification and Characterization System (AMICS) and other applicable measures.

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Technical Discussion

Process mineralogy research on fresh mineralisation shows that the main minerals present, in order of abundance are quartz, albite followed by lepidolite (14.3%), and smaller amounts of orthoclase, kaolinite, muscovite (5.0%), biotite, plagioclase and chlorite. Lithium is mostly distributed in lepidolite with a small amount occurring in muscovite. The average content of Li_2O in lepidolite and muscovite is 4.21% and 0.42%, respectively. Due to the similar characteristics of lepidolite and muscovite, and their close association, they are difficult to separate, so the theoretically highest Li_2O grade of a lepidolite-muscovite aggregate concentrate is calculated to be 3.31%. There are also small amounts of non-lithium minerals such as kaolinite, biotite and other floating minerals in the sample which can enter the lepidolite-muscovite concentrate.

Through a detailed beneficiation test study, it was recommended that the beneficiation process of fresh material be a closed-circuit flowsheet consisting of rod milling to P80 of 0.11mm, desliming to remove -0.016mm material, one roughing, three cleaning and one scavenging, with the middlings returning in sequence. The closed-circuit test returned a concentrate grade of 2.99% Li_2O at total Li recovery of 77.8% with total flotation time of 8-9 minutes. The concentrate is composed of approximately 90% lepidolite-muscovite.

The process mineralogy of weathered mineralisation shows that the main minerals present are quartz, followed by lepidolite (17.2%) and kaolinite (17.1%), with a small amount of albite, biotite, muscovite (4.2%), orthoclase and chlorite. Like the fresh mineralisation, lithium is mostly distributed in lepidolite with a small amount in muscovite. The Li_2O grade of lepidolite and muscovite is 4.38% and 0.35%, respectively, so the theoretically highest Li_2O grade of lepidolite-muscovite aggregate concentrate is calculated to be 3.47%. Similar to the fresh sample, the existence of easily floating gangue minerals such as kaolinite and biotite are present. The kaolinite content is much higher than the fresh sample and this will impact the Li_2O grade of the lithium concentrate.

Through the detailed beneficiation test study, it is recommended that the beneficiation process of weathered material be an open circuit flowsheet consisting of rod milling to P80 of 0.14mm, desliming to remove -0.016mm material, one roughing, four cleaning, two scavenging, rougher concentrate classification and separation. The open-circuit test shows the Li_2O grade of concentrate is 2.80% and recovery is 63.22% with total flotation time of 8-9 minutes. The concentrate contains approximately 81% lepidolite-muscovite, the balance being mostly kaolinite.

According to the test results of the fresh and weathered samples, it is evident that the recovery of lithium-bearing minerals from the fresh mineralisation is superior to that of weathered mineralisation. The reasons being: i. the dosage of rougher separation collector of fresh material is significantly lower than that of weathered material; ii. the Li_2O grade and recovery to tailings from fresh material are lower; and iii. the rougher concentrate of fresh material does not need grading separation, while for weathered mineralisation rougher concentrate grading separation is beneficial to improve lithium recovery as it reduces the loss of lithium-containing minerals in the cleaning process.

For the beneficiation testing of the fresh and weathered samples the same reagents were utilized but at different dosage rates. These included: slime depressant 'GNY', conditioning reagents sodium bicarbonate and sodium hexametaphosphate, and collector 'BK430'.

BGRIMM also provided an estimated cost (ex-China) of the processing reagents at the recommended dosage rates. At current prices and exchange rates these costs equate to approximately US$ 1.00/t for fresh mineralisation and US$2.50/t for weathered mineralisation, due to the higher dosage rates required.

Conclusions and Future Work

The testwork conducted has demonstrated that relatively high recoveries of lithium to concentrate are achievable utilizing industry standard methods with both the fresh and weathered mineralisation undergoing similar comminution and beneficiation. This has resulted in concentrate grades of around 3.0% Li_2O with Li recoveries up to 78%.

The main factor affecting recoveries and concentrate grades is the presence of gangue minerals, in particular kaolinite in the weathered mineralisation. Accessory muscovite containing minor Li_2O is also a factor. Weathered mineralisation constitutes approximately 30% of the current Mineral Resource at Reung Kiet but this ratio will likely decrease in upgraded Mineral Resource, i.e. the upgrade will comprise primarily fresh material.

Further flotation optimisation work is planned and will seek to confirm the BGRIMM data. This work is being conducted by Nagrom in Perth. Nagrom will also conduct flotation testwork on sample products from recent 'ore-sorting testwork' which has proven to reduce the amount of low grade siltstone in the potential ROM feed which serves to increase the overall lithium grade of the feed. Historical testwork and previous PAM testwork suggests this should result in better lithium recoveries and a higher concentrate grade.

Additional testwork is planned to be conducted on various blends of weathered and fresh mineralisation. Ore sorting testwork is also planned to be undertaken on weathered mineralisation. This may also result in better recoveries and a higher concentrate grade.

The lithium mica concentrates produced by BGRIMM have recently been delivered to ALS Global in Perth. These concentrates will undergo roasting and conversion testwork to produce lithium carbonate. The process route being tested is an Alkaline Salt Roast, which is commonly referred to as a Sulphate Roast. This is the process predominantly used in China and therefore, as there is an operating track record, the process has been de-risked.

Additional lithium mica concentrates produced by BGRIMM will also be delivered to Glencore Technology in Brisbane where the concentrates will undergo oxidative acid leaching testwork using Glencore Technology's Albion Process™ to solubilize the lithium for conversion to lithium carbonate. Although the acid leaching increases complexity and risk PAM is of the opinion that preliminary investigations are worthwhile.

PAM is continuing to drill at Reung Kiet with the aim of increasing the existing Mineral Resource and also upgrading parts of the Mineral Resource from the Inferred to Indicated and possibly Measured categories. A Mineral Resource update for Reung Kiet is expected in late February.

The final holes are now in progress at Reung Kiet and following completion drilling will switch to the Bang I Tum prospect located around 8km north of Reung Kiet. PAM plans to drill up to 15,000m of diamond core at Bang I Tum with the objective of assessing the Exploration Target and adjacent prospects and define a Mineral Resource to complement that at Reung Kiet.

The Company looks forward to keeping Shareholders and the market updated on the drilling results obtained and other activities related to the Company's ongoing evaluation of the Reung Kiet Lithium Project, as well as its broader activities to secure its position in the lithium supply chain.

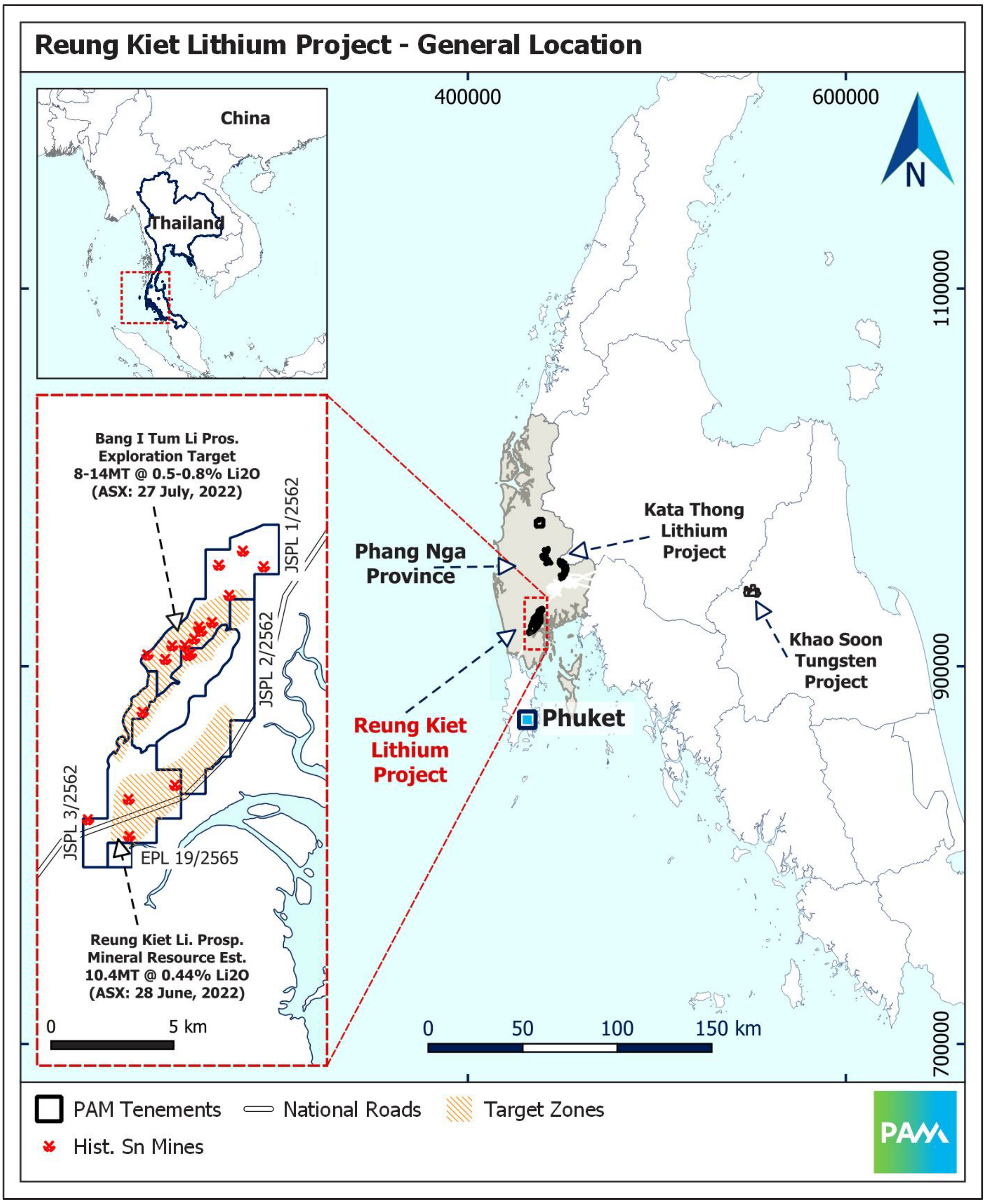
Ends

Authorised by:
Board of Directors

Note 1: The LCE Cost Curve data in Figure 2 is sourced from the 'Industry Overview' section of Tianqi Lithium Corporation's (TLC) Initial Public Offering Prospectus which was published on the 30th of June, 2022. The Industry Overview van be found on page 116, it was compiled for TLC by Wood Mackenzie (Asia Pacific) Pte. Ltd. (WM). The LCE Cost Curve in Figure 1 modifies WM's data by combining the hard rock components of the WM lithium carbonate and lithium hydroxide cost curves into one 'LCE' cost curve. The WM cost curves are dated 2021. Data referencing Chinese lepidolite production statistics was sourced from a report prepared for PAM by Golden Dragon Capital and dated December 2021.

About the Reung Kiet Lithium Project

The Reung Kiet Lithium Project is a lepidolite style lithium project located about 70km north-east of Phuket in the Phang Nga Province in southern Thailand. Pan Asia holds a 100% interest in 3 contiguous Special Prospecting Licenses (SPL) and 1 Exclusive Prospecting License (EPL) covering about 40km².



Regional map: Location of Phang Nga and the Reung Kiet Lithium Project

About Pan Asia Metals Limited (ASX:PAM)

Pan Asia Metals Limited (ASX:PAM) is a battery and critical metals explorer and developer focused on the identification and development of projects in Asia and elsewhere that have the potential to position the Company to produce metal compounds and other value-added products that are in high demand.

Pan Asia Metals is Exploring A Better Future®, we explore with principles, and we intend to mine and process with principles, conducting ourselves in a way that will bring benefit to all stakeholders, knowing that success includes community and environment.

Pan Asia Metals owns two lithium projects and one tungsten project. The projects are located in Thailand, a low cost advanced industrial economy, and fit the Company's strategy of developing downstream value-add opportunities situated in low-cost environments proximal to end market users.

Complementing Pan Asia Metal's existing project portfolio is its target generation program, aiming to identify desirable assets in the region. Pan Asia Metals plans to develop its existing projects while also expanding its portfolio via targeted and value-accretive acquisitions.

To learn more, please visit: www.panasiametals.com

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Competent Persons Statement

The information in this report that relates to Mineral Resources is based on information compiled by Ms Millicent Canisius and Mr Anthony Wesson, both full-time employees of CSA Global. Mr Anthony Wesson is a Fellow and Chartered Professional of the Australasian Institute of Mining and Metallurgy and Ms Millicent Canisius is a Member of the Australasian Institute of Mining and Metallurgy. Mr Anthony Wesson and Ms Millicent Canisius have sufficient experience, relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking, to qualify as Competent Persons as defined in the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Anthony Wesson and Ms Millicent Canisius consent to the disclosure of the information in this report in the form and context in which it appears.

The information in this report that relates to Exploration Targets and Exploration Results, is based on information compiled by Mr. David Hobby, is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Hobby is a full time employee, Director and Shareholder of Pan Asia Metals Limited. Mr. Hobby has sufficient experience, relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking 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 (JORC Code). Mr. Hobby consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

Various statements in this document constitute statements relating to intentions, future acts and events which are generally classified as "forward looking statements". These forward looking statements are not guarantees or predictions of future performance and involve known and unknown risks, uncertainties and other important factors (many of which are beyond the Company's control) that could cause those future acts, events and circumstances to differ materially from what is presented or implicitly portrayed in this document. For example, future reserves or resources or exploration targets described in this document may be based, in part, on market prices that may vary significantly from current levels. These variations may materially affect the timing or feasibility of particular developments. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates", "potential" and similar expressions are intended to identify forward-looking statements. Pan Asia Metals cautions security holders and prospective security holders to not place undue reliance on these forward-looking statements, which reflect the view of Pan Asia Metals only as of the date of this document. The forward-looking statements made in this document relate only to events as of the date on which the statements are made. Except as required by applicable regulations or by law, Pan Asia Metals does not undertake any obligation to publicly update or review any forward-looking statements, whether as a result of new information or future events. Past performance cannot be relied on as a guide to future performance.

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APPENDIX 1

APPENDIX 1 - JORC Code, 2012 Edition – Table 1

PAM Lithium Projects - Drilling

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	Nature and quality of sampling (e.g. cut channels, random chips, downhole gamma sondes, handheld XRF instruments, etc). Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of determination of mineralisation that are Material to the Report (eg 'RC drilling used to obtain 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay'; or where there is coarse gold that has inherent sampling problems).	Cut drill core samples were selected in order to ascertain the degree of lithium enrichment. The samples are representative of the lithium mineralisation within the samples collected. Drill core is subjected to spot analysis by handheld XRF at intervals of around 0.3-0.5m within and adjacent to pegmatite dykes. The quality of this sampling is not representative of the core as a whole and so the results are viewed as preliminary indications of the grade of target elements. Certified Reference Material is routinely analysed to ensure the XRF is operating accurately and/or precisely. The mineralisation is contained within alpo-pegmatites. Half HQ3 or NQ3 samples were used with sample weights of 2.5kg-3.5kg and average sample interval is 0.99m. The whole sample is fine crushed, and then split to obtain a 0.5-1kg sub-sample all of which is pulverised to provide the assay pulp.
Drilling techniques	Drill type (eg core, reverse circulation, etc) and details (eg core diameter, triple tube, depth of diamond tails, face-sampling bit, whether core is oriented; if so, by what method, etc).	All holes are diamond core from surface. HQ and NQ triple tube diameters were employed. The core was oriented using the spear method, as directed by the rig geologist.
Drill sample recovery	Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery, ensuring representative nature of samples. Is sample recovery and grade related; has sample bias occurred due to preferential loss/gain of fine/coarse material?	Drill core recovery is recorded for every drill run by measuring recovered solid core length over the actual drilled length for that run. Triple tube drill methods were used to assist with maximising sample recovery especially in the weathered zone. Sample recovery through the mineralised zones averages 96%, so little bias would be anticipated.
Logging	Have core/chip samples been geologically/geotechnically logged to a level of detail to support appropriate resource estimation, mining studies and metallurgical studies. Is logging qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged.	. The drill core was geologically logged at sufficient detail. Geotechnical logging was limited to contact zones and major structures. The logging is mostly qualitative in nature, with some quantitative data recorded. Photographs of each core tray wet and dry, and of wet cut core were taken. The total length of core logged.
Sub-sampling techniques and sample	If core, cut or sawn and whether quarter, half or all core taken. If non-core, riffled, tube sampled etc and sampled wet or dry?	All core for sampling was cut in half with a diamond saw. Some samples were cut as ¼ core from the original half core, for QA/QC. The sample preparation technique is industry standard, fine crush to 70% less than 2mm. A sub-sample of 0.5-1kg or 100% of sample weight if less than 1kg is obtained via rotary splitting. This sample is

Criteria	JORC Code explanation	Commentary
	For all sample types, nature, quality and appropriateness of sample preparation technique. QAQC procedures for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure sampling is representative of the material collected, e.g. results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled.	pulverised to 85% passing 75 microns. The laboratory reports QA/QC particle size analysis for crushed and pulverised samples. The laboratory also reports results for internal standards, duplicates, prep duplicates and blanks. Pan Asia has collected ¼ core pairs. Comparison of results indicate excellent agreement between Li_2O grades from each ¼ pair. The sample weights average 2.8kg. This is considered appropriate for the material being sampled.
Quality of assay data and laboratory tests	Nature, quality and appropriateness of the assaying and laboratory procedures used; whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments etc, parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied, their derivation, etc. Nature of QAQC procedures adopted (eg standards, blanks, duplicates, external laboratory checks); whether acceptable accuracy levels (ie lack of bias) / precision established.	Analysis in by ALS Method ME-MS89L, which uses a sodium peroxide digestion with ICP finish, all by ALS Chemex in Vancouver or Perth. The method is considered a total technique. Multielement analysis is done by sodium peroxide digestion with ICP-MS finish with 49 elements reported. The laboratory reports results for internal standards, duplicates, prep duplicates and blanks. PAM has conducted ¼ sampling and re-analysis of sample pulps utilising different digestion and assay methods. Pan Asia inserts its own internal Li “standards” as pulps and blanks as 0.5kg. Both the lab QA/QC and additional PAM data indicate acceptable levels of accuracy and precision for Li assays, PAM has only utilised internal ALS QA/QC for the multielement data. For spot hhXRF analysis, an Olympus Vanta$^+$ X-Ray Flourescence analyser in Geochem3_extra mode, with analysis for 30 seconds. Li cannot be analysed by hhXRF. However, Rb, Cs, Mn, show good correlation with lab reported Li results. Other elements of interest such as Sn. Ta and Nb are also recorded by hhXRF as well as many others. Certified standards are routinely analysed.
Verification of sampling and assaying	Verification of significant intersections by independent / alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data.	Sample results have been checked by company Chief Geologist and Senior Geologist. Li mineralisation is associated with visual zones of distinctively coloured lepidolite. Assays reported as Excel xls files and secure pdf files. Data entry carried out both manually and digitally by Geologists. To minimize transcription errors field documentation procedures and database validation are conducted to ensure that field and assay data are merged accurately. The adjustments applied to assay data for reporting purposes: Li x 2.153 to convert to Li to Li_2O. Ta is converted to Ta_2O_5, by multiplying Ta by 1.221.
Location of data points	Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings etc used in estimation. Specification of grid system used. Quality and adequacy of topographic control.	Drill hole locations up to RKDD050 are derived from DGPS, with approximately 10cm accuracy. RKDD051 and onwards are sited by handheld GPS with accuracy of 2-5m in XY. The Z value is derived from topographic model with 1m accuracy. All locations reported are UTM WGS84 Zone 47N.

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	Data spacing for reporting of Exploration Results. Is data spacing and distribution sufficient to establish degree of geological and grade continuity appropriate for Resource / Reserve estimation procedure(s) and classifications applied? Whether sample compositing has been applied.	The drilling was conducted on variably spaced sections with holes 50-100m apart on section, with two holes on many sections giving down-dip separations of about 50-100m between holes. Resources or reserves are not being reported. Sample compositing relates to reporting total aggregate pegmatite thickness, over a drilled interval. Grades are then reported by weighted average.
Orientation of data in relation to geological structure	Does the orientation of sampling achieve unbiased sampling of possible structures; extent to which this is known/understood. If relationship between drilling orientation and orientation of mineralised structures has introduced a sampling bias, this should be assessed and reported if material.	The sampling of half core and ¼ core supports the unbiased nature of the sampling. The drill holes reported are drilled normal or very near normal to the strike of the mineralised zone.
Sample security	The measures taken to ensure sample security.	Samples are securely packaged and transported by company personnel or reputable carrier to the Thai-Laos border, where ALS laboratory personnel take delivery or the samples are on forwarded to ALS Laos. Pulp samples for analysis are then air freighted to Vancouver or Perth in accordance with laboratory protocols.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	No formal audits conducted at this stage of the exploration program.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	Three contiguous Special Prospecting Licences (JSPL1, 2 and 3) covering an area of 48sq km are registered to Thai company Siam Industrial Metals Co. Ltd. (SIM). Pan Asia Metals holds 100% of SIM located 60km north of Phuket in southern Thailand. The tenure is secure and there are no known impediments to obtaining a licence to operate, aside from normal considerations.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	The Institute of Geological Sciences, a precursor of the British Geological Survey (BGS) in the late 1960's conducted geological mapping, documenting old workings, surface geochemical sampling, mill concentrates and tailings sampling and metallurgical test work on the pegmatite then being mined at Reung Kiet. This work appears to be of high quality and is in general agreement with Pan Asia's work. In 2014 ECR Minerals reported Li results for rock samples collected in Reung Kiet project area. The locations and other details of the samples were not reported. But the samples showed elevated Li contents.
Geology	Deposit type, geological setting and style of mineralisation.	The project is located in the Western Province of the South-East Asia Tin Tungsten Belt. The Reung project area sits adjacent and sub-parallel to the regionally extensive NE trending Phangnga fault.

Criteria	JORC Code explanation	Commentary
		The Cretaceous age Khao Po granite intrudes into Palaeozoic age Phuket Group sediments along the fault zone, Tertiary aged LCT pegmatite dyke swarms intrude parallel to the fault zone.
Drillhole Information	A summary of information material to the understanding of the exploration results including a tabulation for all Material drill holes of: • easting and northing of the drill hole collar • elevation or RL (Reduced Level – elevation above sea level in meters) of the drill hole collar • dip and azimuth of the hole • downhole length and interception depth • hole length. If exclusion of this information is not Material, the Competent Person should clearly explain why this is the case.	Drillhole information and intersections are reported in tabulated form within the public report.
Data aggregation methods	Weighting averaging techniques, maximum/ minimum grade cutting and cut-off grades are Material and should be stated. Where compositing short lengths of high grade results and longer lengths of low grade results, compositing procedure to be stated; typical examples of such aggregations to be shown in detail. Assumptions for metal equivalent values to be clearly stated.	Li_2O Intersections are reported at > 0.2% Li_2O, and allow for up to 2m intervals of internal dilution of < 0.2% Li_2O. Sn, Ta2O5, Cs, Rb and K are also reported For reporting purposes only the Sn and Ta_2O_5 intersections occurring outside the Li_2O intersections are reported at >1000ppm (Sn+Ta) which is derived by Sn +3.5x Ta_2O_5 (in ppm). All intersections are weighted averages with no top cut being applied. Higher grade zones within the bulk lower grade zones are reported, where considered material.
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results. If mineralisation geometry with respect to the drillhole angle is known, its nature should be reported. If it is not known and only down hole lengths are reported, a clear statement to this effect is required (eg 'down hole length, true width not known').	Intercept lengths are reported as downhole length. The mineralised zones dip around 65-50 degrees southeast. Holes were drilled at -55 to -65 degrees towards the northwest (normal to strike). The true width of the mineralisation reported is around 75-90% of the reported downhole width. This can be measured on Cross Sections in the Public Report.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts to be included for any significant discovery. These to include (not be limited to) plan view of collar locations and appropriate sectional views.	Appropriate plans and sections are provided in the public report.
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	Results are reported for every drillhole, that are above cut-off grade. Some results below Li_2O cut-off grade are reported to assist interpretation.
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock	The drilling results reported are from holes targeting mineralisation beneath and along strike from an old open cut. Soil, rock-chip and trench sampling by Pan Asia indicate additional mineralisation is present along trend to the south, where drillholes are also reported Weaker surface Li anomalism is also

Criteria	JORC Code explanation	Commentary
	characteristics; potential deleterious or contaminating substances.	present immediately north of the pit. The whole mineralised trend at RK are potentially 1km or more. Garson et al 1969 conducted work on concentrates, tailings and met test-work on a sample taken from the mine. This work was positive, no deleterious substances have been identified to date.
Further work	The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas (if not commercially sensitive).	Planned further work will include drilling especially along strike to the south. Infill drilling is also planned around existing holes that have intersected higher grade mineralisation. This may later lead to deeper/step out drilling should geological controls on higher grade zones be identified.