

PAN ASIA METALS

ASX Announcement | January 31, 2023

PAM raises \$4,500,000 at a Premium Price to support and develop the Company's strategy to become a leading supplier of Battery Chemicals in Southeast Asia

HIGHLIGHTS

- PAM concludes a \$4.5M private placement at a premium price of \$0.40/share.
- Placement supported by 2 Thai based institutional investors and 1 Australian institutional investor.
- Placement at an 8.1% premium to the last closing price of \$0.37/share and 5.3% premium to the 15 day VWAP of \$0.38/share.
- Funds to be used to drive the company's exploration and development activities:
 - Continue necessary technical and economic studies required in anticipation of delivering a Pre-Feasibility Study for the Reung Kiet Lithium Project later in 2023.
 - Drilling at the Bang I Tum Lithium Prospect in anticipation of confirming the Exploration Target and delivering a maiden Mineral Resource later in 2023.
 - Assessing the potential for standalone midstream lithium chemical conversion opportunities in Southeast Asia.
 - Progressing current applications at the Kata Thong Geothermal Li & Hard Rock Li Project and continuing to assess new application areas.
 - Assessing other battery metal project opportunities.
 - General working capital requirements.

Battery and critical metals explorer and developer Pan Asia Metals Limited (ASX: PAM) ('PAM' or 'the Company') is pleased to announce the completion of a private placement with firm commitments received to raise \$4.5 million before costs through the issue of 11.25 million shares at premium price of \$0.40/share to 2 Thai based institutional investors and 1 Australian institutional investor.

Viriathus Capital acted as Lead Manager to the \$4.5 million placement before costs. Settlement is scheduled for Tuesday the 24th of February, 2023.

PAN ASIA METALS LIMITED

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Funds are to be used to drive the company's exploration and development activities at the Reung Kiet Lithium Project, specifically: to continue the necessary technical and economic studies required for the delivery of a Pre-Feasibility Study for the Reung Kiet Lithium Prospect, which is anticipated later in 2023; and to begin drilling at the Bang I Tum Lithium Prospect where up to 15,000m of diamond core drilling is planned with the drilling program designed to test the Exploration Target as well as the recently identified adjacent zones which, with success, should enable a Mineral Resource to be estimated, which is anticipated for later in 2023. PAM will also be assessing the potential economics for standalone midstream lithium chemical conversion opportunities in Southeast Asia. PAM will be progressing its current applications at the Kata Thong Geothermal Li & Hard Rock Li Project as well as assessing other battery metal project opportunities which fit PAM's hurdle criteria. Funds will also be used for general working capital requirements.

Pan Asia Metals Managing Director Paul Lock said: *"This is a most pleasing result. The support PAM has received from the three institutional investors participating in this placement speaks volumes about PAM's projects and its strategy in Southeast Asia. Since listing PAM has been diligently working on the foundations of its strategy, aiming to position itself for downstream opportunities, and we expect this work to start paying off in 2023. We are conscious of our capital structure and dilution, and note that the placement is for shares only, maintaining PAM's clean and tight capital structure. The fact that we have raised at a premium to the most recent close and the 15 day VWAP also demonstrates that we have investors sharing PAM's longer term vision. The underlying fundamentals for lithium are very strong and we see interesting opportunities in Southeast Asia. Aside from progressing the Reung Kiet Lithium Project, we will be focusing on potential midstream opportunities, which if successful could see PAM positioned as a leader in the supply of battery metals and chemicals in the region. We will also be assessing other battery metal project opportunities and progressing applications currently underway."*

Ends

**Authorised by:
Board of Directors**



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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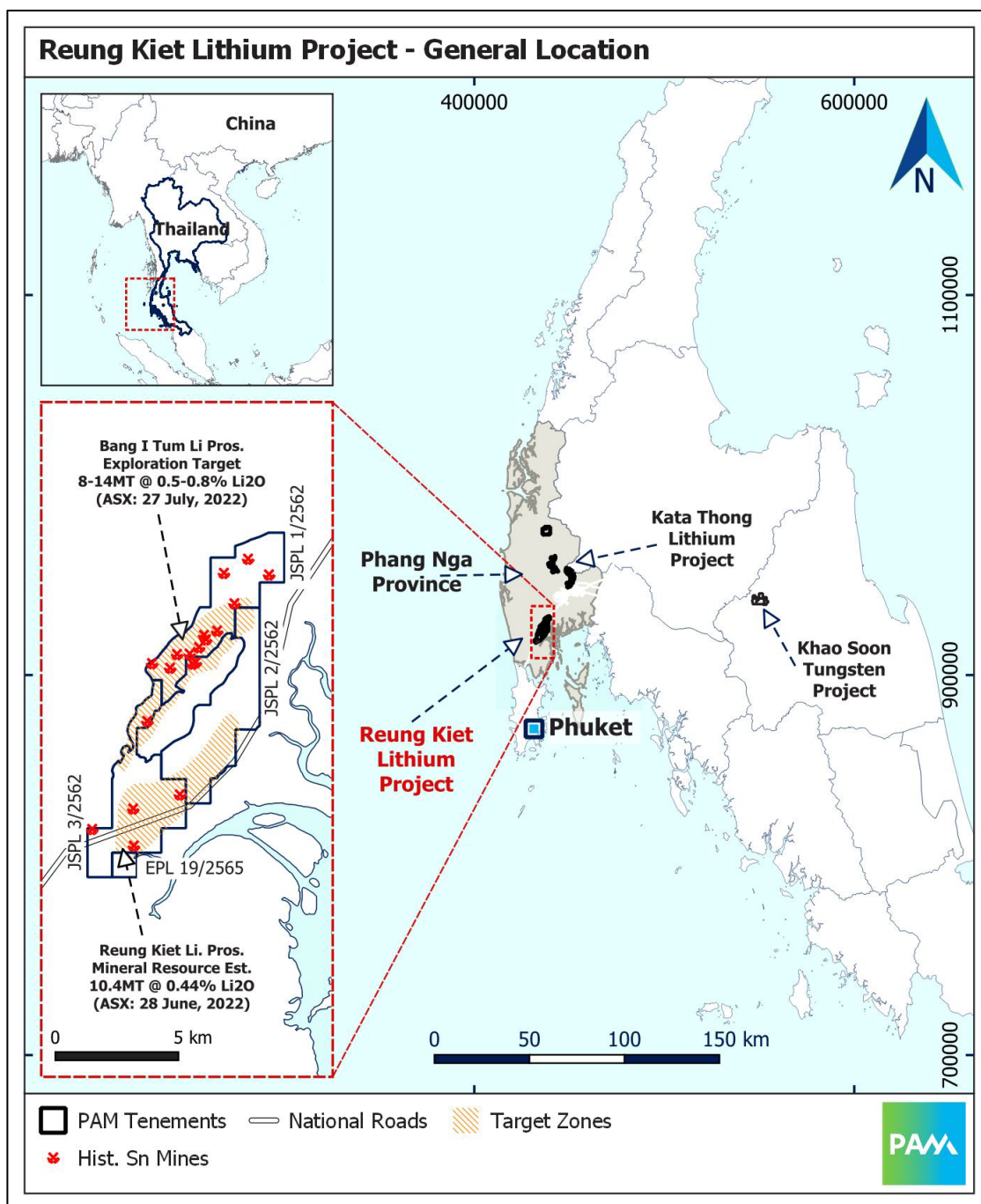
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ABOUT THE REUNG KIET LITHIUM PROJECT

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.

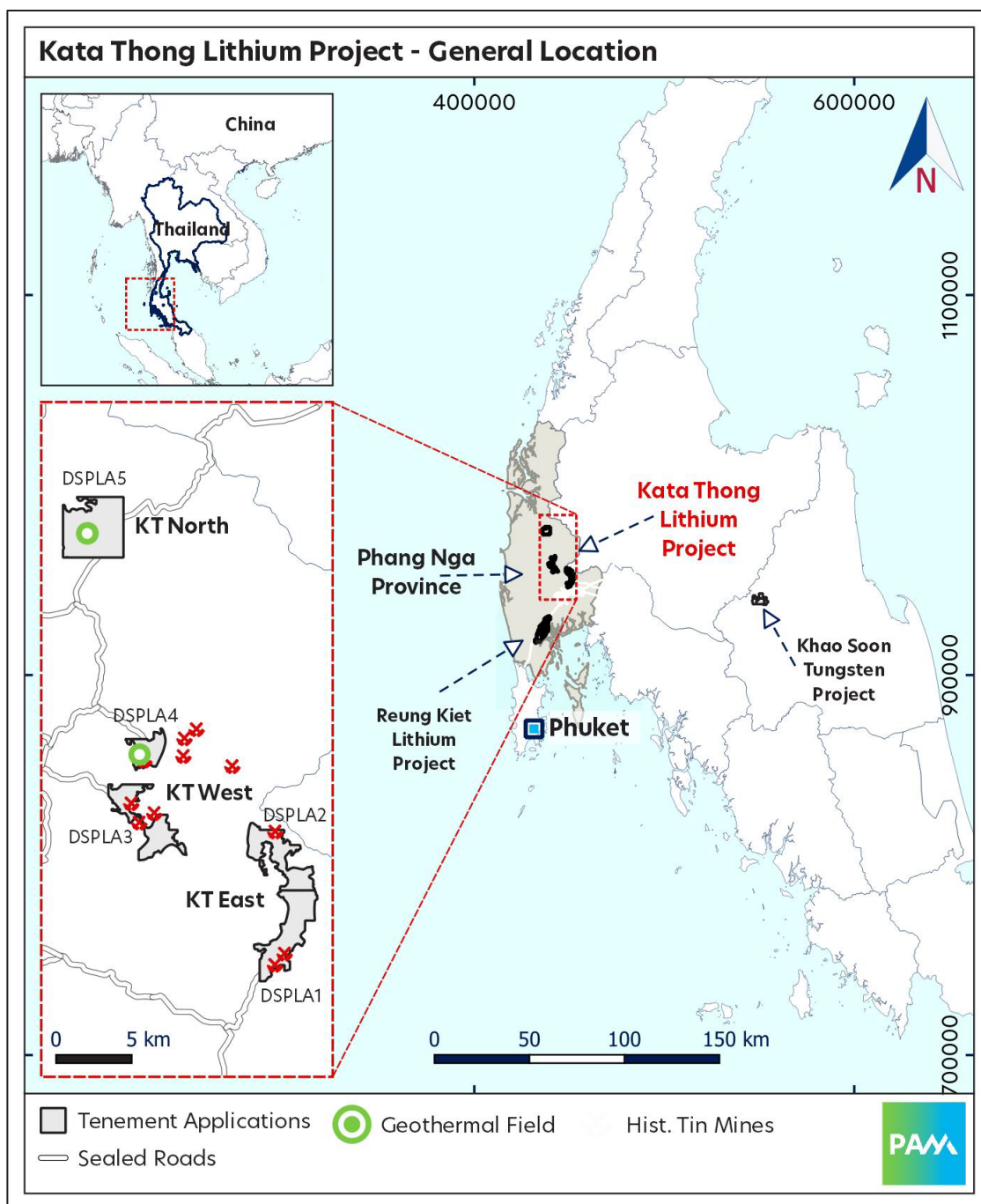


Regional map identifying the location of the Reung Kiet Lithium Project



ABOUT THE KATA THONG LITHIUM PROJECT

The Kata Thong Lithium Project is a geothermal lithium and hard rock lithium-tin project located about 100km north-east of Phuket in the Phang Nga Province in southern Thailand. Pan Asia holds a 100% interest in 5 Special Prospecting Licence Applications (SPLA) covering about 45km².

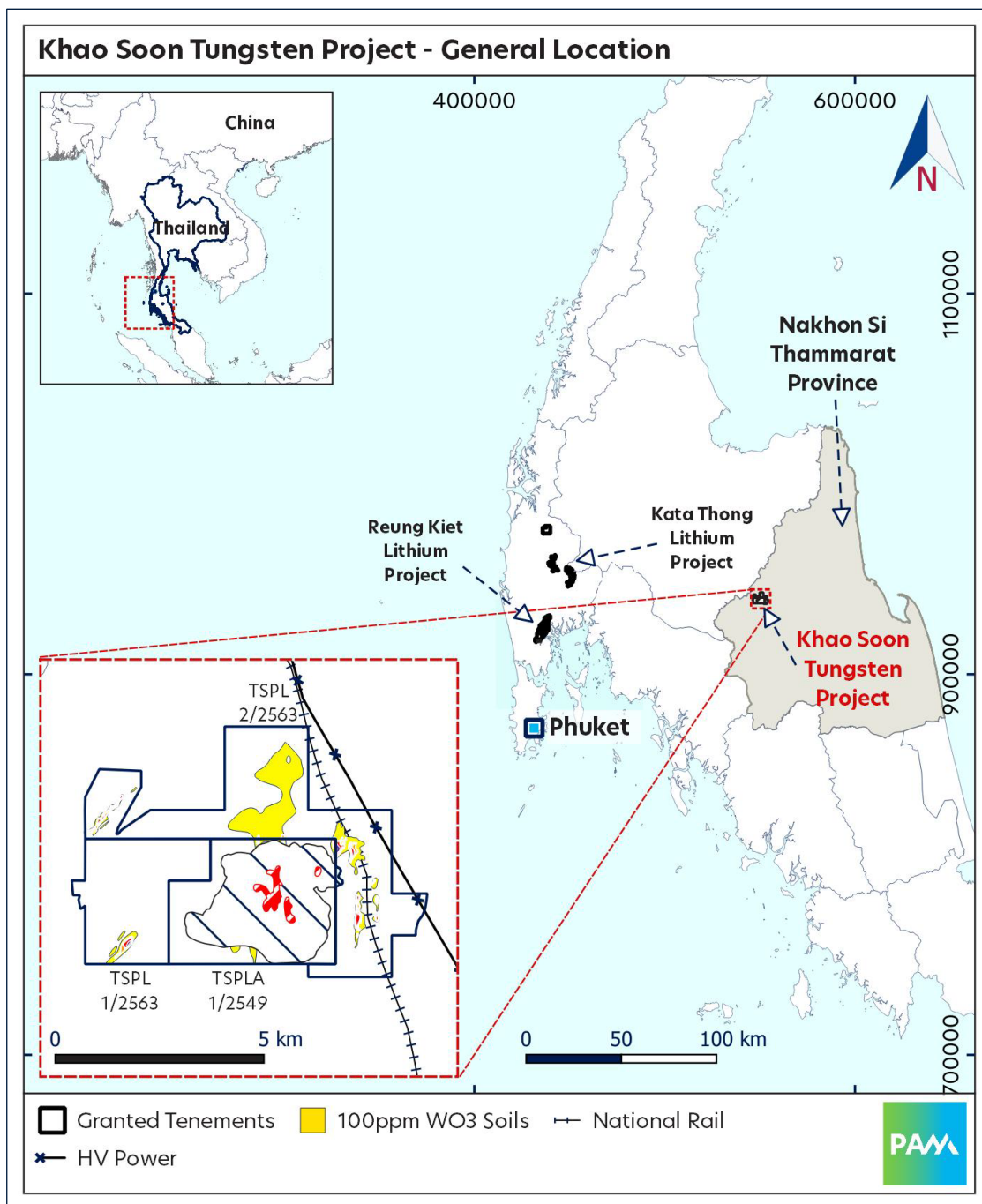


Regional map identifying the location the Kata Thong Lithium Project



ABOUT THE KHAO SOON TUNGSTEN PROJECT

The Khao Soon Tungsten Project is a wolframite style tungsten project located approximately 600km south of Bangkok in Nakhon Si Thammarat Province, Southern Thailand. PAM holds a 100% interest in 2 contiguous Special Prospecting Licences (SPL) a 1 Special Prospecting Licence Application (SPLA) covering about 33km².



Regional map identifying the location of the Khao Soon Tungsten Project



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.

Important

To the extent permitted by law, PAM and its officers, employees, related bodies corporate and agents (Agents) disclaim all liability, direct, indirect or consequential (and whether or not arising out of the negligence, default or lack of care of PAM and/or any of its Agents) for any loss or damage suffered by a Recipient or other persons arising out of, or in connection with, any use or reliance on this document or information.