Pocitos 7 DDH1 intercepts +30m brine aquifer, Salta, Argentina

- **Maiden hole at Pocitos 7 intercepts +30m brine aquifer zone at 370m**
- **Drill Hole pumped at 2,000 litres per hour with 49mm pipe**
- **Samples taken for assay and testing with Ekosolve™ DLE technology**
- **Planning underway for DDH 2 with a view to a mineral resource estimate**

C29 Metals Limited (**C29** or the **Company**) is pleased to advise that drilling at Pocitos 7, Pocitos salar in the province of Salta, Argentina has concluded at 420m with a packer test intercepting a deep aquifer from 370-400m. A flow test was conducted through a 49mm pipe with a submersible pump and achieved a pumping rate in excess of 2,000L an hour.

Figure 1: Brines being pumped into a 200l drum then emptied for the next measurement to be timed.

Brine samples were obtained over a three hour pumping period. Separate sample lots were sent to SGS and Alex Stewart laboratories in Salta for assay with blanks and standards, and a

sample was sent to the University of Melbourne for testing using the Ekosolve™ direct lithium extraction process that the Company has licenced. Laboratory assay results are expected in 7 to 14 days.

A second hole is being planned and may be supplemented with an audio telluric (**CSAMT**) geophysics survey that will penetrate down to 500m to ensure that DDH2 at Pocitos 7 is optimally located.

Mr Phillip Thomas, technical consultant to the Company for Pocitos 7, reported that the core transitioned from fine clays to a combination of halite and sands at the 350m mark and became coarser and more porous as the hole approached 400m with interbedding evident.

Director Jeremy King commented:

"We are extremely pleased to intercept brines and have hit a 30m plus aquifer zone at Pocitos 7 and have such a healthy pump rate particularly given the size of the pipe and pump utilised. The team are currently conducting SG measurements on the brine and we await the laboratory analysis to determine lithium content. Subject to those results, we intend to continue our exploration program with a view to rapidly establishing a mineral resource estimate at Pocitos 7."

Figure 2: Core tray showing transition from clays to grey porous sand units

Drill Hole Location and Information

Hole (ID)	Easting (m)	Northing (m)	Depth (m)	Dip	Azimuth	From (m)	To (m)	Interval (m)
PCT-23-01	702840.64 (Zone 19)	7283715.53 (Zone 19)	420	-90	0	30	420	1.5

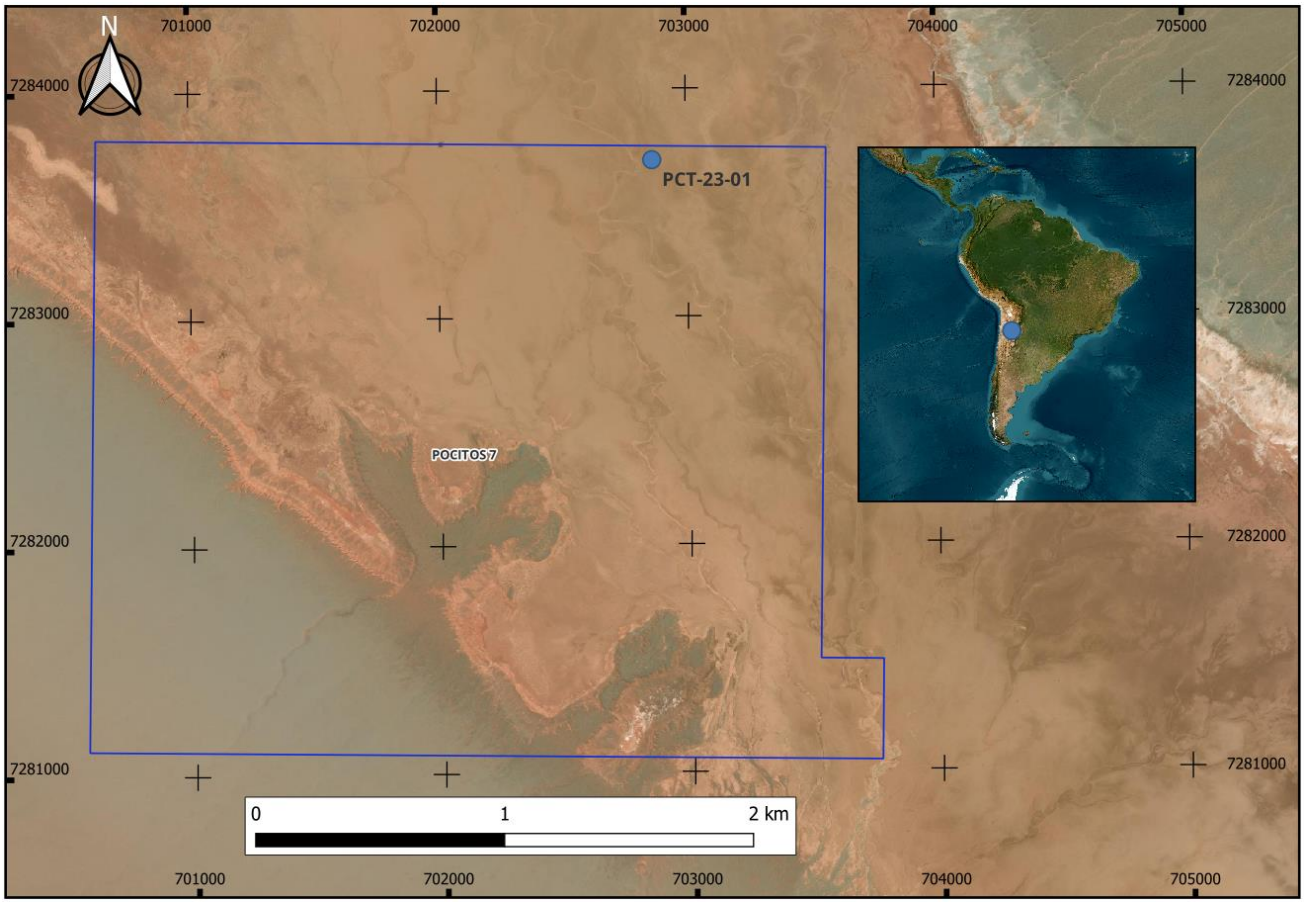

Figure 3 Drillhole PCT-23-01 (DDH1) location within the Pocitos 7 tenement

The Company notes that laboratory assays are required to confirm the presence and grade of any contained lithium, and there is no guarantee that lithium is present in the recovered brines.

-ENDS-

Authorised for release by the Board.

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Competent Person Statement

The information in this announcement that relates to the Argentine Li Brine project is based on, and fairly represents information compiled by Phillip Thomas, MAIG FAusIMM, Technical Adviser of C29 Metals, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Thomas has sufficient experience relevant to the style of mineralisation (lithium brines) and type of deposit under consideration, and to the activity which he has undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Thomas consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	• JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Drill core was recovered in 1.5 m length core runs in core split tubes to minimize sample disturbance. Core recovery was measured by comparing the measured core length to the length of the core runs. • Drill coring was undertaken along the entire length of the holes to obtain representative samples of the stratigraphy and sediments of the salar. • Brine samples from target intervals were collected by the Packer tests Packer tests use a packer device which seals off discrete intervals and allows for sampling only from this interval. Samples have been taken from the relevant section based upon geological logging. • Water/brine samples were collected from intervals 370m to 400m.
Drilling techniques	• *Drill type (eg core, reverse circulation, open- hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• A 6 1/4" tricone bit was used to collar the hole then HQ diameter core was drilled to 130m and the hole completed with NQ to 420m. Triple tube Diamond drilling with internal (triple) tube was used to ensure quality core recovery and core recovery by industry standards was very high.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Diamond drill core was recovered in 1.5m length intervals in triple tubes. • Various drilling additives/muds and fresh water were used is used as drilling fluid for hole stability to maximize core recovery. The core recoveries were measured from the core and compared to the length of each run to calculate the recovery. • Brine samples were collected over the relevant sections interpreted as the target aquifer based upon the geology encountered and ground water representation. • Brine quality is not related to the quality of core samples. The porosity and

		permeability of the lithologies where samples are taken influences the rate of brine inflow.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	The diamond core is logged by a senior geologist and contract geologists with supervision by the senior geologist. The senior geologist also supervised the taking of samples. • Logging is both qualitative and quantitative in nature. The relative proportions of each of the different lithologies which have a direct bearing on the overall porosity, contained and potentially extractable brine are noted, as are more qualitative characteristics such as the sedimentary unit. All cores is photographed. • All core was logged by a geologist
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Double packer sampling: Brine samples were collected by flushing isolated sections of the hole of all fluid in the hole, to reduce contamination from drilling fluid, then allowing the hole to re-fill with ground waters. Samples were then taken form the relevant section. • Duplicate sampling is undertaken for quality control purposes.
	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks,*	• The Alex Stewart laboratory located in Jujuy, Argentina, is used as the primary laboratory to conduct the assaying of the brine samples collected. • The Alex Stewart laboratory is ISO 9001 and ISO 14001 certified and is specialised in the chemical analysis of brines and inorganic salts, with considerable experience in this field. • The SGS laboratory was used for secondary check analyses and is also certified for ISO 9001 and ISO 14001 • Core samples will also be sent to a laboratory for porosity test work.

	duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	
Verification of sampling and assaying	• *The verification of significant intersections by either independent or 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.*	• Field duplicates, standards and blanks are used to monitor potential contamination of samples and the repeatability of analyses. • Sub-sample duplicates are also being transported to a second reputable industry standard laboratory in country for check analysis
kLocation of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• The survey locations were located using handheld GPS with an accuracy of +/- 5m. • The grid System used is POSGAR 94, Argentina Zone 3 • Topographic control was obtained by handheld GPS • The topography is flat.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Brine samples were collected within isolated sections of the hole based upon the results of onsite geological logging.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• The brine concentrations being explored for generally occur as sub-horizontal layers and lenses hosted by conglomerate, gravel, sand, salt, silt and/or clay. Vertical diamond drilling is ideal for understanding this horizontal stratigraphy and the nature of the sub-surface brine bearing aquifers
Sample security	• *The measures taken to ensure sample security.*	• Data was recorded and processed by employees, consultants and contractors to the Company and overseen by senior management. • Samples are transported from the drill site to secure storage at the camp on a daily basis.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have been conducted to date. The drilling is at a very early stage however the Company's independent consultant and Competent Person has approved the procedures to date.

Section 2 Reporting of Exploration Results
(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
25 October 2022Mineral 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.*	• The Pocitos 7 Lithium Project consists of one tenement located in Salta Province, Argentina. The tenement is owned by Ekeko S.A. The Company executed an Option Agreement whereby C29 Limited may acquire 80% of the project – for further detail see announcement dated 25 October 2022
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• No historical exploration has been undertaking on this licence area
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Pocitos 7 licence area covers a section of the Pocitos salar proper with minor alluvial cover to the southwest. The lithium is sourced locally from weathered and altered intrusive and is concentrated in brines hosted within basin alluvial sediments and evaporites.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length*
	  ○ *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case*
		• Drillhole ID: PCT-23-01
		• Easting: 702840.64 (Zone 19)
		• Northing: 7283715.53 (Zone 19)
		• Hole Dip: -90
		• Hole Depth: 420m

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*	• Assay results are pending, field results are provided.

	• *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• The brine layers are horizontal to sub-horizontal therefore the intercepted thicknesses of brine layers would be true thickness as the drill hole is vertical.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Refer to maps, figures and tables in the announcement dated the 19th January, 2023
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.*	• Assay results are pending.
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 characteristics; potential deleterious or contaminating substances.*	• All meaningful and material information is reported

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, provided this information is not commercially sensitive.*	• Future work will be guided by the pending assay results of PCT-23-01 and the CSAMT geophysical survey.