

ASX Announcement | 28 April 2023

March 2023 Quarterly Activities Report

HIGHLIGHTS

- Metallurgical flotation testwork results finalised with lithium mica concentrate grades up to 3.0% Li₂O and lithium recoveries of ~80%. Both fresh and weathered mineralisation have almost identical flowsheets.
- Reung Kiet Lithium Prospect assay results received for infill and extensional sampling from drill holes RKDD073-091 and RKDD032. Results continue to support the geological model with many high grade intersections, including:
 - **RKDD077: 15.35m @ 0.55% Li₂O**
 - **RKDD080: 6.25m @ 0.82% Li₂O**
 - **RKDD085: 13.50m @ 0.69% Li₂O**
 - **RKDD086: 15.00m @ 0.64% Li₂O**
 - **RKDD089: 8.50m @ 0.73% Li₂O**
 - **RKDD091: 11.50m @ 0.75% Li₂O**
- PAM commenced drilling at Bang I Tum Lithium Prospect, shifting both drilling rigs from Reung Kiet to focus on testing the Exploration Target and the Extended Target Zone. The first hole of the program, hole BTDD007, intersected a new pegmatite zone with an aggregate width of 15.8m from 30.9m to 68m.
- Thai Cabinet approves Mineral Management Master Plan No.2 resulting in Mining Zones being declared across much of the Reung Kiet Project Area including the entire mineralised trends, giving PAM the legal right to submit Mining Lease applications.
- Lepidolite concentrates subjected to sulphate roasting and water leaching testwork with excellent recoveries achieved, ranging up to 88% lithium (Li) extraction. Further optimisation testwork is underway.
- PAM raises \$4,500,000 through a placement, supported by two Thai based institutional investors and one Australian institutional investor. The raising was at an ~8% premium to the then share price of \$0.37/share, indicating strong support for PAM's strategy to become a leading supplier of Battery Chemicals in Southeast Asia.
- PAM appoints Elissa Hansen as Company Secretary, Australia.

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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 this Quarterly Activities Report, summarising activities for the quarter ending 31 March 2023 (**Quarter**).

PROJECTS

Reung Kiet Lithium Project - Metallurgical Testwork

During the quarter PAM announced initial metallurgical testwork results for flotation recovery of lithium mica concentrates using representative sample from the Reung Kiet lithium prospect, see PAM's ASX announcement dated 19 January 2023, and titled '*Reung Kiet Lithium Project Metallurgical Testwork Results*'.

The testwork was conducted on two separate composites, comprising of fresh and weathered mineralisation, which were selected to represent mineralisation throughout the deposit and containing both internal and external dilution predominantly composed of low-grade siltstone. The testwork was conducted by Beijing General Research Institute of Mining & Metallurgy (**BGRIMM**) in China, which 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.

Fresh Material: The detailed beneficiation test study recommended that the beneficiation process for 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% Li₂O at total Li recovery of 77.8% with total flotation time of 8-9 minutes. The concentrate is composed of approximately 90% lepidolite-muscovite.

Weathered Material: The detailed beneficiation test study recommended that the beneficiation process for 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 Li₂O 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.

The testwork demonstrated that relatively high recoveries of lithium to concentrate are achievable utilising 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% Li₂O with Li recoveries up to 78%.

China is the only jurisdiction where lithium chemicals are being commercially produced from lepidolite 'ores'. The Hard Rock LCE Cost Curve in Figure 1 below uses data compiled by Wood Mackenzie (Asia Pacific) Pte. Ltd. (WM) for Tianqi Lithium Corporation¹. It demonstrates the cost competitiveness of lepidolite as a source of LCE. 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 being brought online in China in 2023."

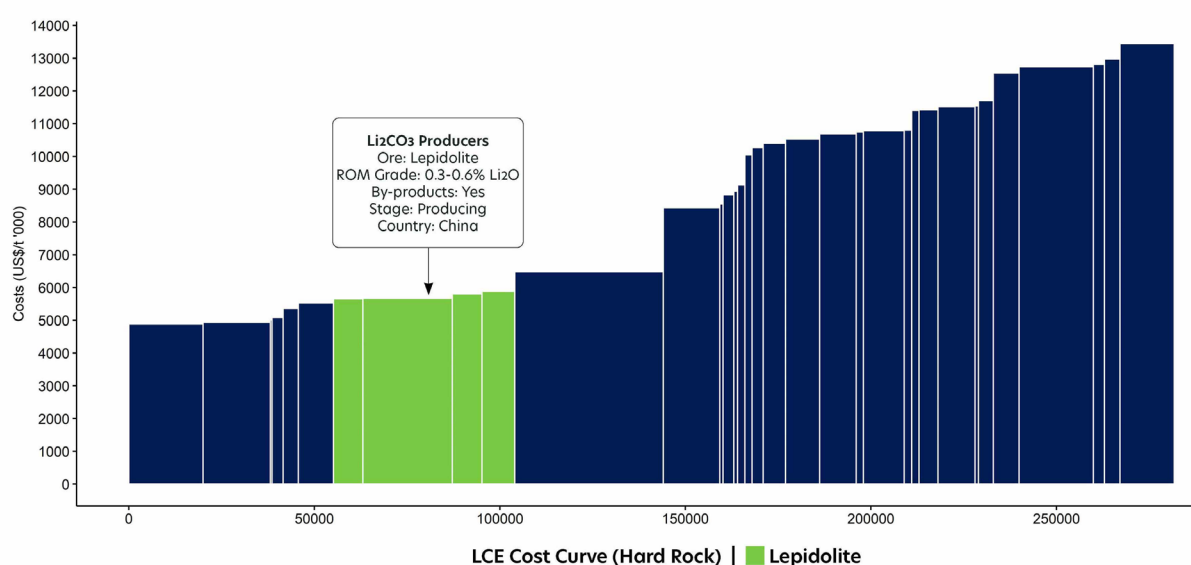


Figure 1 - 2021 Hard Rock LCE Cost Curve (Source: Wood Mackenzie, modified)

Reung Kiet Lithium Prospect - Drilling

During the quarter PAM released a drilling update for Reung Kiet, see PAM's ASX announcements dated 2 February 2023, and titled accordingly. Post quarter end, PAM released a second drilling update for Reung Kiet, see PAM's ASX announcement dated 19 April 2023, and titled accordingly (see Table 3: Summary of ASX Announcements). These announcements related to assay results received for infill and extensional sampling from drill holes RKDD073-094 and RKDD032 (see Table 1). Lithium assay results continue to be positive and support the geological model at Reung Kiet.

¹ 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 can 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.

Table 1. RKLP - Reung Kiet Prospect - Standout Drill Results for the Quarter

Hole ID	from (m)	to (m)	int (m)	Li ₂ O (%)
RKDD077	100.00	115.75	15.75	0.55
<i>incl.</i>	112.00	115.75	3.75	0.85
RKDD079	91.20	112.10	20.90	0.37
<i>incl.</i>	96.00	100.00	4.00	0.75
RKDD080	55.10	63.00	7.90	0.41
<i>incl.</i>	58.00	63.00	5.00	0.64
RKDD080	69.30	83.90	14.60	0.43
<i>incl.</i>	73.70	79.95	6.25	0.82
RKDD085	203.50	217.00	13.50	0.69
<i>incl.</i>	211.00	214.85	3.85	0.89
RKDD086	169.00	184.00	15.00	0.64
<i>incl.</i>	177.50	182.00	4.50	0.91
RKDD089	129.30	141.90	12.60	0.62
<i>incl.</i>	130.00	134.60	4.60	0.81
RKDD089	146.00	154.50	8.50	0.73
RKDD090	10.65	35.85	24.60	0.48
<i>incl.</i>	23.50	25.50	2.00	1.20
RKDD090	55.50	60.95	5.45	0.58
<i>incl.</i>	58.05	60.95	2.90	0.92
RKDD091	12.00	16.80	4.80	0.73
RKDD091	52.00	63.50	11.50	0.75
RKDD092	172.00	193.50	21.50	0.55
<i>incl.</i>	177.45	182.00	4.55	0.88
<i>incl.</i>	186.00	191.05	5.05	0.77
RKDD094	64.40	69.90	5.50	0.48
RKDD094	73.60	90.00	16.40	0.52
<i>Incl.</i>	74.00	78.00	4.00	0.74
RKDD094	102.40	123.35	20.95	0.59
<i>incl.</i>	113.00	115.55	2.55	0.72
<i>incl.</i>	118.50	120.65	3.15	1.27

PAM completed the quarter on drill hole RKDD102 with 958.4 meters drilled during the quarter in 3 holes for a total of 19,603.9 meters drilled at Reung Kiet as at 31 March, 2023.

Bang I Tum Lithium Prospect - Initiation of Drilling

During the quarter PAM commenced drilling at Bang I Tum Lithium Prospect, shifting both drilling rigs from Reung Kiet to focus on testing the Exploration Target and the Extended Target Zone, see PAM's ASX announcements dated 28 February 2023, and titled *Bang I Tum Prospect - Initiation of Drilling, Reung Kiet Lithium Project, Thailand*'.

The drill program is expected to take approximately six (6) months, with the aim of defining a Mineral Resource, which is expected to be reported in late 2023. The program is designed to:

- Drill test the Exploration Target of 8 to 14 Million tonnes @ 0.50% - 0.80% Li₂O (JORC Code 2012). The potential quantity and grade of the Exploration Target are conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.
- Drilling to test the Extended Target Zone (as identified in Figure 2).

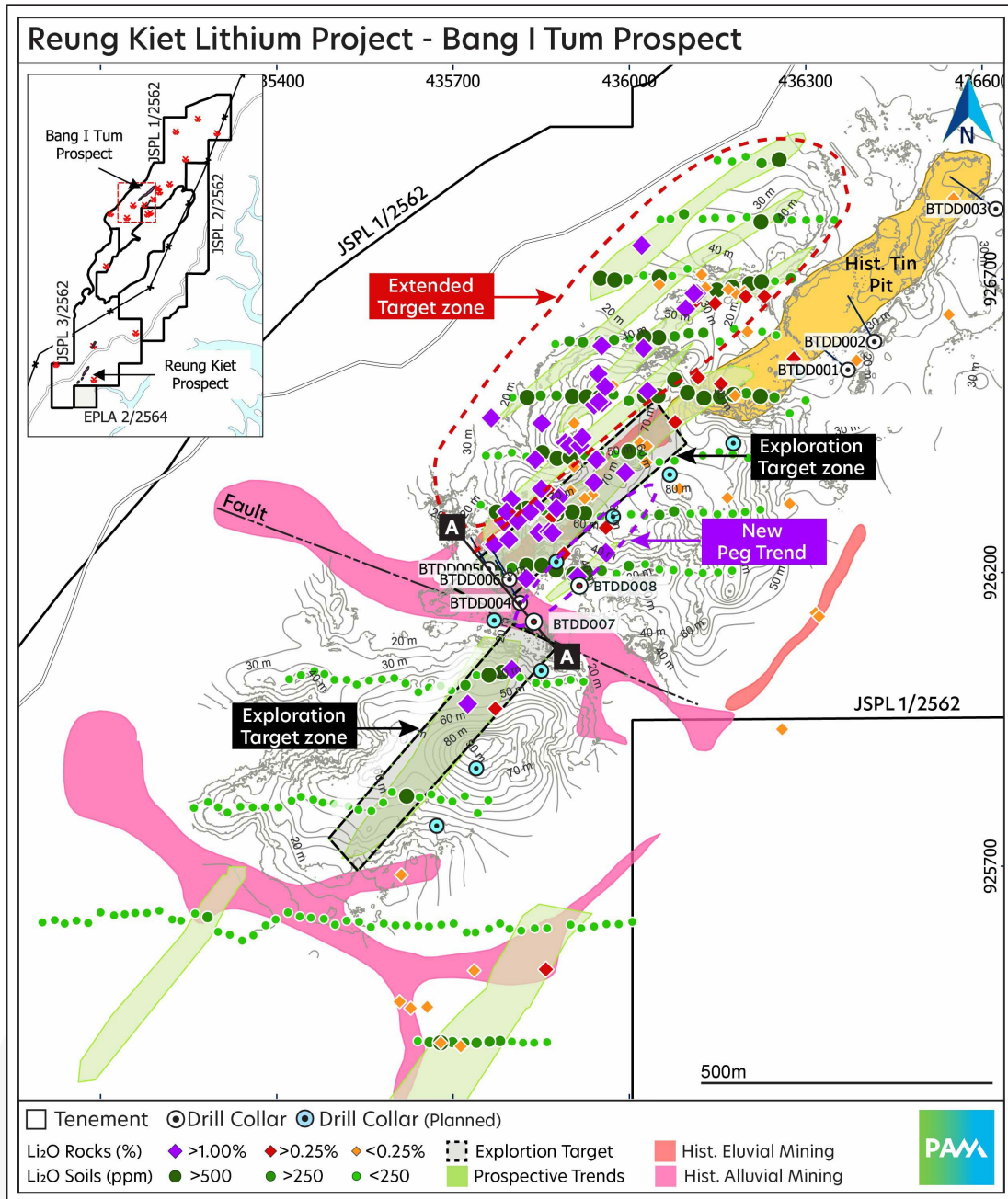


Figure 2 - Bang I Tum Lithium Prospect -soil and rock-chip data

The first drillhole, BTDD007, was designed to test the Exploration Target at depth, beneath previous drilling (see Figure 3). The hole was also designed to test the position of an interpreted pegmatite trend based upon previous mapping and sampling. This is labelled 'New Peg Trend' in Figure 3. The hole intersected an aggregate width of 15.8m of pegmatite from 30.9m to 68m with numerous intervals of visible lepidolite (see Figure 3).

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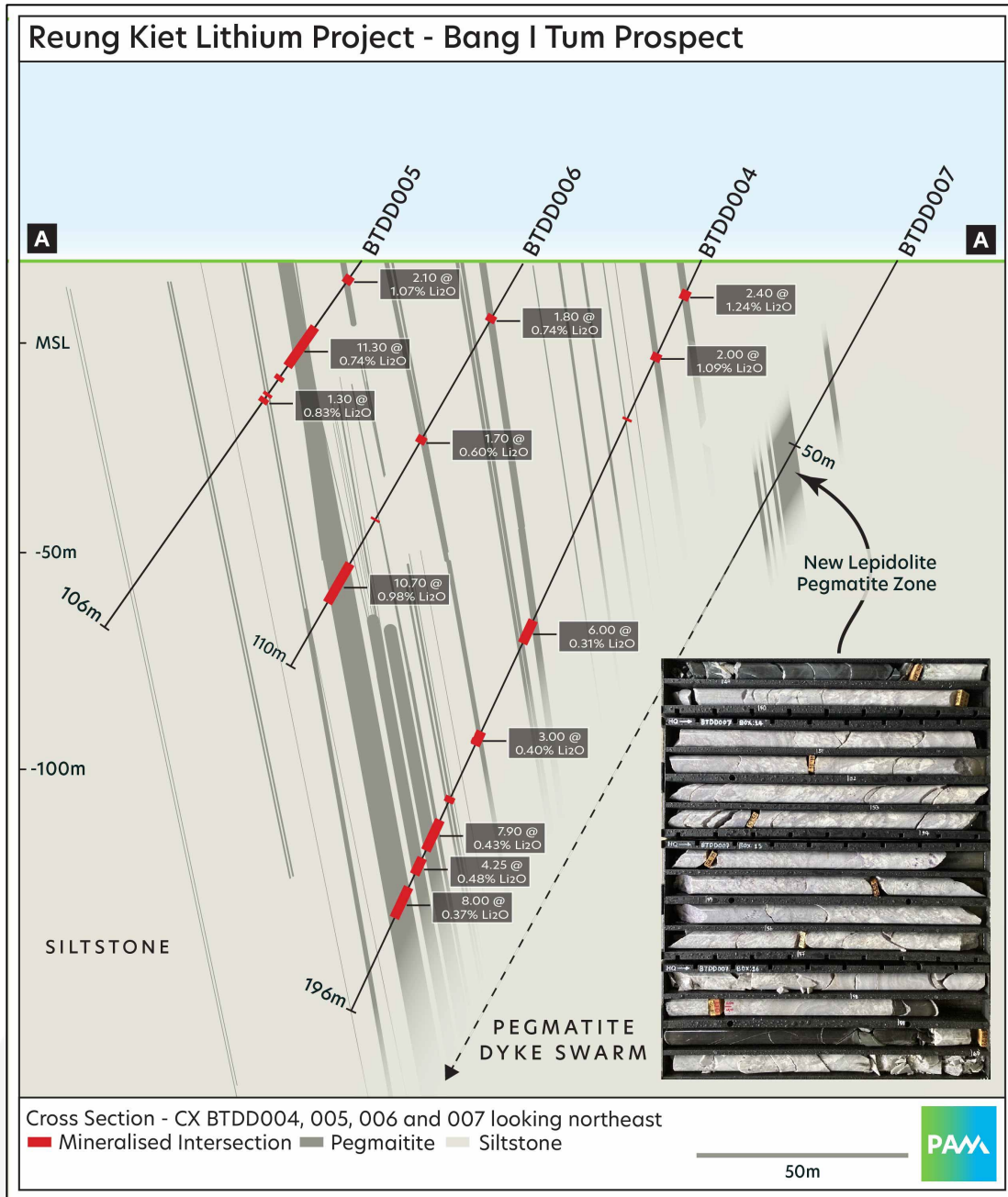


Figure 3 - Cross Section BTDD004, 005, 006 and 007

PAM will conduct a metallurgical test work program to evaluate the mineralisation at Bang I Tum and to evaluate the metallurgical performance. PAM also plans additional follow-up sampling and mapping to further refine, and potentially expand, the prospective zone to the south.

PAM completed the quarter on drill holes BTDD012 and BTDD013 with 1,227.7 meters drilled during the quarter for a total of 2,190.7 meters drilled at Bang I Tum as at 31 March, 2023.

Reung Kiet Lithium Project - Mining Zones

Subsequent to the quarter end, the Cabinet of the government of Thailand approved the Mineral Management Master Plan No.2 (MMMP2) prepared by the National Mineral Management Policy Commission (NMMPC). See PAM's ASX announcements dated 19 April 2023, and titled *Reung Kiet Lithium Project Mining Zones Declared*'.

Provisions contained in MMMP2 allow the NMMPC to designate Mining Zones. This has resulted in Mining Zones being declared across much of the Reung Kiet Project Area and captures the entire Reung Kiet and Bang I Tum mineralised trends (see Figure 4). The declaration of these Mining Zones now gives Pan Asia the legal right to submit Mining Lease applications and to conduct all activities relevant to establishing a mining business on its tenements which make up the project.

In addition to declaring Mining Zones, the MMMP2 has been expanded to include investment promotion and facilitate mechanisms and policies for mineral exploration, resource extraction and related downstream industries. MMMP2 also aims to educate the public to increase its knowledge and understanding of the Mineral Management Master Plan.

The MMMP2 remains in effect until 31 December 2027 and is part of a broader Mineral Management Strategy planned out to 2037.

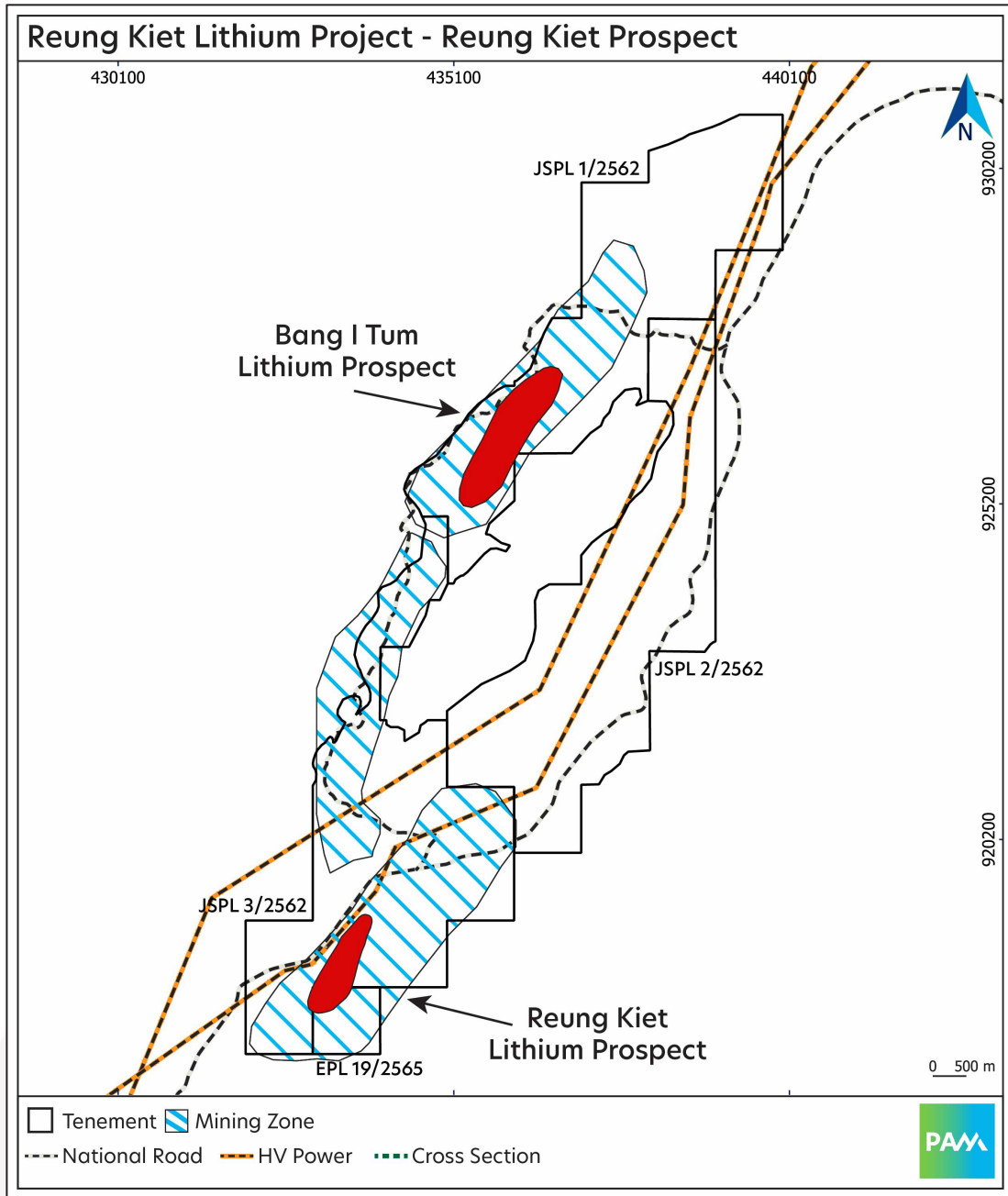


Figure 4 - Reung Kiet Lithium Project, Mining Zones

Reung Kiet Lithium Project - Roasting and Leaching testwork results

Subsequent to the quarter end, PAM received results from the sulphate roast and lithium extraction testwork undertaken on samples of lepidolite concentrates from the Reung Kiet Lithium Prospect. See PAM's ASX announcements dated 20 April 2023, and titled 'Reung Kiet Lithium Project Positive Roasting and Leaching testwork results'. The testwork was

conducted by ALS Metallurgy in Perth under the supervision of Lithium Consultants Australasia, a lithium consulting firm with substantial experience in the field.

Two samples of lepidolite concentrate, weighing approximately 1kg each, were generated from the testwork program performed by BGRIMM Technology Group (BGRIMM) during 2022. The fresh and oxide samples were milled to 80% passing 125 microns (0.125mm) and split into 5 x 100 gram samples which were then mixed with three roast reagents (limestone, gypsum and sodium sulphate). The roast feed samples were then roasted in a kiln at 900°C for 1 hour with small sub-samples taken for XRD analysis. The remaining roast product samples were leached in de-ionised (DI) water (20% solids) at 60°C for 1 hour. At the end of the leach period, the slurry was filtered. The filtrate was assayed. The residue was re-pulped with DI water (20% solids) and washed (re-leached) at 60°C for 1 hour and the filtration step repeated. The re-pulp procedure was repeated. The final residue was assayed.

The leach results in terms of lithium extraction v gypsum + sodium sulphate addition are shown in Figure 5 below. It is evident that the fresh and oxide samples show similar trends across the five tests conducted, with Tests 1-4 providing the best Li extractions.

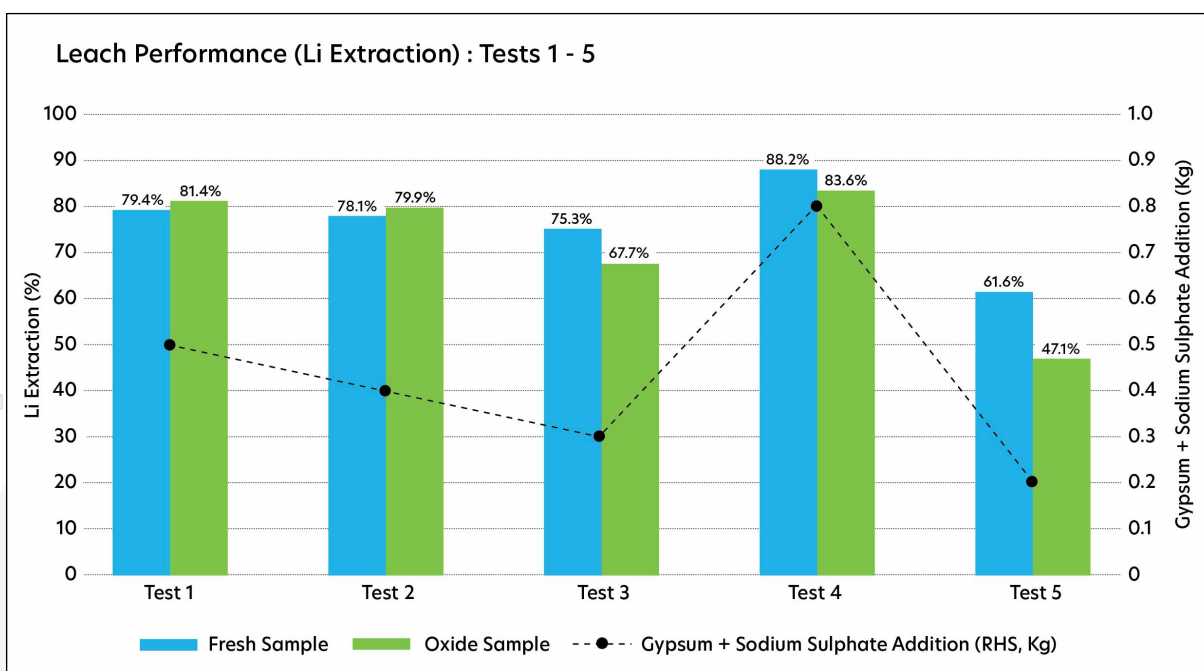


Figure 5 - Li extraction v sulphate addition

The results generated from this Phase 1 roast-leach testwork are highly encouraging. Roast and leach conditions remain to be optimised and this will be explored in next phase

of testwork, which will further investigate roast reagent ratios, roast time and temperature and the effect of agglomerating the roast feed.

Testwork will also be carried out on concentrate derived from sorted ore vs pre-sorted ore, for which higher leach recoveries are expected. For ore sorting results see PAM's ASX announcement dated 22 November 2022 and titled '*Exceptional Ore Sorting Test-Work Results Confirmed*'.

Kata Thong Lithium Project

PAM has five (5) Special Prospecting Licence Applications (SPLA) covering approximately 45km² in the Phang Nga Province in southern Thailand; the 'Kata Thong Geothermal Lithium and Hard Rock Lithium-Tin Project' (Kata Thong) (see PAM's ASX Announcements dated 31 August, 2021 and titled '*Geothermal Li and Hard Rock Li-Sn Initiative*'). Two applications (DSPLA1 and 2) are waiting for approval and two applications (DSPLA 3 and 4) are awaiting sign off from the Governor, Phang Nga Province, before proceeding to DPIM, Bangkok, for approval. The 5th application (DSPLA 5) is on hold and awaiting clarification on land tenure.

WORK PLAN

Pan Asia will continue diamond drilling at the Bang I Tum with the aim of testing the Exploration Target and adjacent prospects, with the intention of estimating a Mineral Resource at the end of 2023. Assay results for the drilling will be reported as they become available. Metallurgical testwork is also planned for Bang I Tum.

Final assay results from the drilling at Reung Kiet were recently received and will be reported shortly. The receipt of final assay results will allow for the completion of the Mineral Resource update for Reung Kiet. This is expected to be reported in early June.

Additional metallurgical testwork is also being undertaken on samples from Reung Kiet.

In regional exploration PAM is conducting soil, rock-chip and stream sediment sampling at the Kata Thong and Reung Kiet projects. Results will be reported as they become available.

PAM continues to assess lithium and other battery metal target opportunities in the region

STRATEGY

PAM's objective is to identify and develop battery and critical metals projects which have the potential to be situated in the lower third of the cost curve, are situated in low cost jurisdictions in Asia and elsewhere proximal to advanced industrial centres, have low carbon footprints, and position the Company for downstream value adding opportunities. Operating in Southeast Asia gives the Company access to modern industrial economies with globally competitive cost environments, and the fastest growing and most populous region on earth.

The three key underlying factors to PAM's strategy in Southeast Asia are: i. the region's growth prospects; ii. the region's low-cost environment; and iii. aligning with the right knowledge partners.

The population of South and Southeast Asia is greater than 2 billion, with over 500 million in the middle class and many more aspiring to the middle class. Further, Southeast Asia has one of the youngest populations in the world and, in several Southeast Asian countries, there are well established hi-tech industrial and manufacturing hubs, making it one the highest growth and lowest cost regions globally.

Thailand is the largest auto producer in Southeast Asia and the 4th largest in East Asia. Thailand's policy settings are aimed at enabling a rapid transition to Electric Vehicle (EV) and Lithium Ion Battery (LIB) production. Representative of this policy setting, Mercedes recently commenced production of its flagship EQS EV in Thailand and many other EV manufacturers are beginning production.

Singapore, Vietnam, Indonesia, Malaysia and India are also aggressively pursuing EV and LIB initiatives. These six countries render the region one of the most strategic EV-LIB manufacturing ecosystems globally. This dynamic presents excellent opportunities for growth and PAM is positioning itself to be a leading battery metals and chemical supplier in the region.

PAM's primary objective is the development of the Reung Kiet Lithium Project (**Reung Kiet**) located in Southern Thailand. PAM is currently undertaking the necessary technical and economic studies required in anticipation of delivering a Pre-Feasibility Study for the production of lithium carbonate and/or lithium hydroxide. Complementing Reung Kiet, is PAM's Kata Thong Lithium Project, located 30km to the north, which is under application. Further, PAM is pursuing additional value-adding opportunities for these projects, such as the production of Cathode Active Materials. This would likely be via an alliance or arrangement with a knowledge partner. To this end PAM is also assessing the potential

for standalone midstream opportunities in Southeast Asia, for example lithium chemical conversion to manufacture lithium carbonate or lithium hydroxide.

The execution of such initiatives would also be achieved through alliances with knowledge partners. In pursuit of these objectives PAM has had exploratory discussions with chemical manufacturers and opened discussions with relevant government bodies in several Asian countries, including the Malaysian Investment Development Authority, Thailand's Board of Investment and Vietnam's Foreign Investment Agency. Success could see PAM positioned as a leader in the supply of battery metals and chemicals in the region.

Given the growth forecasts for electric vehicles and the subsequent demand for lithium chemicals, PAM is also considering project opportunities farther afield. Such opportunities need to meet PAM's hurdles for consideration, i.e. they need to demonstrate attributes which stand them apart from the broader peer group, including but not limited to geology, geography, access to inputs and proximity to infrastructure, and so on. In considering these project opportunities, the underlying thematic is the opportunity to value add outputs, preferably in Southeast Asia.

MARKETS

Lithium

The question is whether there will be any more Battery Metal Exchange (BMX) updates. In Pilbara Minerals Limited's (PLS) last reference to the BMX, it stated that the sale price of a 15,000t cargo of spodumene concentrate would reference the price of lithium hydroxide at the time of conversion.² There was no mention of the BMX in PLS's 31 March 2023 Quarterly Activities Report.

As at the 24th of April 2023, the SC6 price was US\$4,190 per tonne on a CIF China basis, which was published by Asia Metals Inc. This data is a compilation of 'spot prices and fundamental data'. The average ratio of *Lithium Carbonate Equivalent (LCE) to 6.0% Spodumene Concentrate (SC6)* (LCE/SC6) is about 18.2x. It currently sits at about 6x. This is on a delivered China basis and measured over a 30 month period. This situation is unsustainable and it will be interesting to see the profit margins of the Chinese converters in the coming month, and ultimately whether it is the LCE or SC6 price which adjusts. The situation is a common theme in most of the commentary around pricing, with most pundits believing LCE has to move up.

² Pilbara Minerals Limited ASX Announcement (20 February, 2022). Spot sale linked to hydroxide chemical pricing. [online]. Available at: <https://www.asx.com.au/asxpdf/20230220/pdf/451s5s08zs2tfn.pdf>. [Accessed 25 April 2023].

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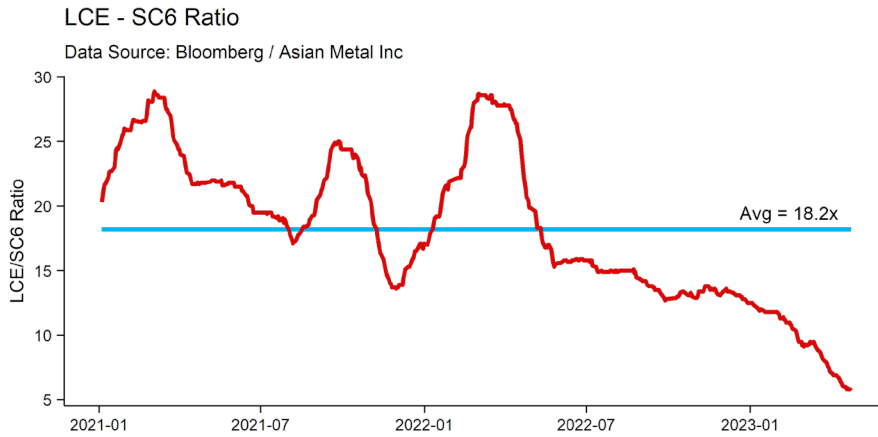


Figure 6. Lithium Carbonate / Hydroxide Price (US\$ delivered, China)

Battery grade lithium carbonate (Li_2CO_3) and lithium hydroxide (LiOH) prices dropped from their record levels reached on the 14th of November and the 13th of December 2022 respectively, with Li_2CO_3 trading at US\$23,990/t and LiOH at US\$40,225/t respectively on a delivered basis China. The spread between carbonate and hydroxide is interesting, possibly reflecting excess carbonate manufacturing capacity in China. What's more interesting though is the Li_2CO_3 delivered basis Europe, which was trading well above its Chinese equivalent at US\$57,250/t. Which price reflects the true situation? There is plenty of debate around this at the moment and most of it would lean toward the European price.

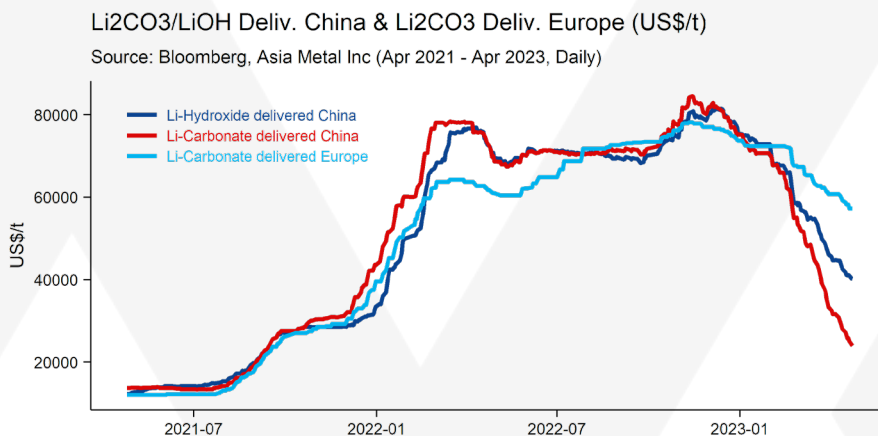


Figure 7. Lithium Carbonate / Hydroxide Price (US\$ delivered, China)

Tungsten

Tungsten is a critical metal and in 2020 was ranked as the metal with the highest level of economic importance by the European Commission's 'Study on the EU's list of Critical Raw Materials (2020)'³. This is so because tungsten is absolutely essential for industry and industrial activity.

Tungsten is also finding applications in Li-ion batteries, with HC Starck Tungsten Powders, a subsidiary of Vietnam based Masan High-Tech Materials Group, recently announcing that it is marketing a range of tungsten powders for use in lithium-ion batteries. This is in conjunction with developments by Nyobolt, which aims to launch a tungsten-based anode technology for ultra-fast charging batteries.⁴

PAM's Khao Soon Tungsten Project is one of the largest and highest grade tungsten exploration projects in the global peer group, with an Exploration Target of 15-29Mt at 0.2-0.4% WO₃, PAM's aim is to value add a concentrate and produce Ammonium paratungstate (APT).

APT is the benchmark price used for tungsten trioxide (WO₃) concentrates. WO₃ concentrates are priced at a ~18-35% discount to the APT price., The discount is governed by a number of factors including market conditions, geography and concentrate quality. As per Figure 8 below, the APT price on a Free on Board (FOB) basis China pulled back to a 12 month low of US\$31,700/t in early December 2022, before moving back above US\$32,250/t.⁵

³ European Commission (2020). Study on the EU's list of Critical Raw Materials (2020). [online]. Available at: https://ec.europa.eu/growth/sectors/raw-materials/areas-specific-interest/critical-raw-materials_en. [Accessed 18 July, 2020].

⁴ Powder Metal Review (21 April 2023). HC Starck boosts battery segment with starck2charge branded tungsten powder. [online]. Available at: https://www.pm-review.com/hc-starck-boosts-battery-segment-with-starck2charge-branded-tungsten-powders/?utm_source=rss&utm_medium=rss&utm_campaign=hc-starck-boosts-battery-segment-with-starck2charge-branded-tungsten-powders [Accessed 27 April, 2023].

⁵ Tungsten is priced in Metric Tonne Units (MTU), which is a 10kg unit. We convert this to \$/tonne to put the pricing into context with other metals.

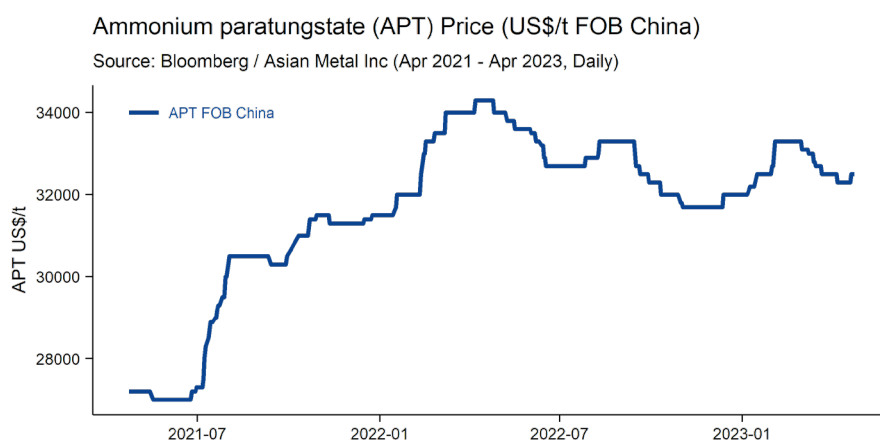


Figure 8. Ammonium Paratungstate Price (US\$ FOB, China)

With very strong pricing for both lithium and tungsten, PAM is well positioned with its focus on critical metals, and projects in low cost environments which are proximal to advanced industrial centres, positioning PAM for value adding.

CORPORATE

During the quarter PAM raised \$4,500,000 through a placement, supported by two Thai based institutional investors and one Australian institutional investor. This raising was at an ~8% premium to the then shareprice of \$0.37/share, indicating strong support for PAM's strategy to become a leading supplier of Battery Chemicals in Southeast Asia. See PAM's ASX announcement dated 31 January 2023, and titled accordingly. Of the \$4.5m placement, \$3.3m has been received and \$1.2m is due in early May, 2023.

During the quarter PAM appointed Elissa Hansen as Company Secretary, replacing Wayne Kernaghan. The Board welcomes Elissa and thanks Wayne for his services since the Company's listing in October 2020. Elissa is a Chartered Secretary with over 20 years' of experience and brings best practice governance advice, ensuring compliance with the Listing Rules and other relevant legislation. She is a Fellow of the Governance Institute of Australia, a Graduate Member of the Australian Institute of Company Directors and has a Bachelor of Commerce and a Graduate Diploma in Applied Corporate Governance. See PAM's ASX announcement dated 17 February 2023, and titled accordingly.

Finance

PAM is a US Dollar reporter and therefore its financial statements are reported in US Dollars, including its Quarterly Appendix 5B.

Cash at bank at the end of the quarter was **A\$2.61m** (US\$1.76m). An additional \$1.2m is expected to be received in early May, being the outstanding portion of the 31 January 2023 \$4.5m placement. Funds are expected first week of May as agreed with the investor.

PAM's expenditure during the Quarter was as follows:

Item	US\$ ('000s)	A\$ ('000s)
Cash Balance at beginning of Quarter	970	1,432
Staff Costs	(206)	(298)
Administration and Corporate Costs	(372)	(538)
Property, Plant and Equip. Purchases	0	0
Exploration and Evaluation	(698)	(1010)
Other	(9)	(13)
Proceeds from issue of Shares	2,220	3,300
Cost of raising capital	(152)	(226)
FX Movements	(2)	(38)
Cash Balance at End of Quarter	1,751	2,609
Funds due from 31 Jan 2023 \$4.5m Raise	805	1,200
Total Funds Available to the Company	2,556	3,809

During the Quarter the Company made payments of US\$99k (A\$145k) to the Directors of the Company towards their remuneration.

EVENTS SUBSEQUENT TO QUARTER END

Subsequent to the Quarter end PAM announced the following:

1. Reung Kiet Lithium Project - Roasting and Leaching testwork results

PAM received results for sulphate roast and lithium extraction testwork undertaken on samples of lepidolite concentrates from the Reung Kiet Lithium Prospect. See PAM's ASX announcements dated 20 April 2023, and titled '*Reung Kiet Lithium Project Positive Roasting and Leaching testwork results*'.

2. Reung Kiet Lithium Project - Mining Zones

The Cabinet of the government of Thailand approved the Mineral Management Master Plan No.2 (MMMP2) prepared by the National Mineral Management Policy Commission (NMMPC). See PAM's ASX announcements dated 19 April 2023, and titled '*Reung Kiet Lithium Project Mining Zones Declared*'.

3. Reung Kiet Lithium Project - Drilling Update

PAM released a second drilling update for Reung Kiet, see PAM's ASX announcement dated 19 April 2023, and titled accordingly.

Ends

Authorised by:

Board of Directors

TABLE 3 - SUMMARY OF ASX ANNOUNCEMENTS

Date	Price Sensitive	Title	Relevant Project(s)
19 Jan 2023	\$	Reung Kiet Lithium - Metallurgical Test-work Results	RKLP
31 Jan 2023	\$	PAM raises \$4.5m via a placement at a premium price	
31 Jan 2023		Proposed issue of securities - PAM	
31 Jan 2023	\$	Quarterly Activities/Appendix 5B Cash Flow Report	
02 Feb 2023	\$	Reung Kiet Lithium Project - Drilling Update	RKLP
17 Feb 2023		Resignation and Appointment of Australian Secretary	
28 Feb 2023		Bang I Tum Prospect Initiation of Drilling	RKLP
09 Mar 2023		Application for quotation of securities - PAM	
14 Mar 2023		Corporate Presentation	
31 Mar 2023		Annual Report to shareholders	
31 Mar 2023		Appendix 4G and Corporate Governance Statement	
<i>Announcements subsequent to quarter end</i>			
03 Apr 2023	\$	Reung Kiet Lithium Project Drilling Results	RKLP
19 Apr 2023	\$	Reung Kiet Lithium Project Mining Zones Declared	RKLP
20 Apr 2023	\$	Positive Roasting and Leaching testwork results	RKLP

TABLE 4 - TENEMENT SCHEDULE - SPL AND EPL

Tenement / Application	Holder / Applicant	% Held	Granted	Term (Years)	Area (Km ²)	Country
Reung Kiet Lithium Project						
JSPL 1/2562	SIM	100	15-Feb-2019	5	12.3	Thailand
JSPL 2/2562	SIM	100	15-Feb-2019	5	12.7	Thailand
JSPL 3/2562	SIM	100	15-Feb-2019	5	11.9	Thailand
EPL 19/2565	SIM	100	01-Sep-2022	2	1.0	Thailand
Kata Thong Geothermal Lithium and Hard Rock Lithium/Tin Project						
DSPLA1	PAM2	100	Application	na	8.3	Thailand
DSPLA2	PAM2	100	Application	na	10.3	Thailand
DSPLA3	PAM2	100	Application	na	7.8	Thailand
DSPLA4	PAM2	100	Application	na	3.8	Thailand
DSPLA5	PAM2	100	Application	na	14.7	Thailand
Khao Soon Tungsten Project⁽ⁱ⁾						
TSPL 1/2563	TMV	100	14-May-2020	5	7.1	Thailand
TSPL 2/2563	TMV	100	20-Aug-2020	5	15.9	Thailand
TSPLA 1/2549	TMV	100	Application	na	11.0	Thailand

SIM: Siam Industrial Metal Co. Ltd.; PAM2: Pan Asia 2 Metals (Thailand) Co. Ltd.; TMV: Thai Mineral Ventures Co. Ltd. SIM, PAM2, and TMV are 100% held subsidiaries of the Company or a 100% held subsidiary of one of the Company's 100% held subsidiaries.

(i) Thai Goldfields NL (TGF) will receive a A\$2m cash payment upon first WO₃ concentrate production being achieved for a tungsten project on Special Prospecting Licence Application No.1/2549 (TSPLA 1/2549) or its successor title over the historic Khao Soon Tungsten Mine and a A\$2m cash payment upon first WO₃ concentrate production being achieved for a project on any tenement abutting TSPLA 1/2549 or any successor title. David Docherty is a Director of Pan Asia Metals and TGF.

TABLE 5 - TENEMENT SCHEDULE - GENERAL PROSPECTING LICENSES, THAILAND

Tenement / Application	Holder / Applicant	Province	Related Project	% Held	Granted	Term (Years)
PL1/2565 Bangphra-Nua	PAM1	Ranong	n/a	100	07-June-2022	1
PL1/2565 Bang-Rin	PAM1	Ranong	n/a	100	09-June-2022	1
PL1/2565 Raja-Grood	PAM1	Ranong	n/a	100	17-June-2022	1
PL1/2565 Banna	PAM1	Ranong	n/a	100	05-June-2022	1
PL1/2565 Rommanee	PAM2	Phang Nga	Kata Thong	100	01-June-2022	1
PL1/2565 Thana	PAM2	Phang Nga	Kata Thong	100	10-June-2022	1
PL1/2565 Lhe	PAM2	Phang Nga	Kata Thong	100	17-June-2022	1
PL1/2565 Noppring	PAM2	Phang Nga	Kata Thong	100	20-June-2022	1

PAM1: Pan Asia 1 Metals (Thailand) Co. Ltd.; PAM2: Pan Asia 2 Metals (Thailand) Co. Ltd. PAM1 and PAM2 are 100% held subsidiaries of the Company or a 100% held subsidiary of one of the Company's 100% held subsidiaries.

A GPL is a non-exclusive, non-renewable and non-transferable licence and is valid for one year. A GPL grants rights for mineral prospecting and exploration within a designated area of an administrative district or a province and exploration is restricted to geological, geochemical or geophysical surveys, i.e. trenching and drilling, are not permitted. Under its GPLs PAM will be able to conduct general reconnaissance activities on an exclusive basis on areas where PAM has SPL or EPL applications as SPL and EPL applications and licenses are exclusive, and on a non-exclusive basis on areas where PAM does not have SPL or EPL applications. Therefore, on PAM's Kata Thong application areas for example, PAM can conduct general exploration activities during the application process and therefore is positioned to identify or define drill targets and prepare them so that drilling can begin upon the award of the Kata Thong licenses.

CORPORATE DIRECTORY

Board of Directors

- **Paul Lock**
Executive Chairman and Managing Director
- **David Hobby**
Executive Director and Chief Geologist
- **David Docherty**
Non Executive Director
- **Thanasak Chanyapoon**
Non Executive Director
- **Supriya Sen**
Non-Executive Director

Company Secretaries

- Ms Elissa Hansen, Australia
- Ms Fiza Alwi, Singapore

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Email: contactus@panasiametals.com

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Australian Securities Exchange (PAM)

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Singapore 068809
Phone: +65 6500 9360

Accountants

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South Melbourne, Vic, 3205
Phone: +61 3 9692 7222

Bankers

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Singapore 018982

Westpac Banking Corp., Australia
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Sydney NSW 2000

Share Registry

Advanced Share Registry
110 Stirling Highway
Nedlands, WA, 6009
Phone: +61 8 9389 8033

ABOUT PAN ASIA METALS LIMITED (ASX:PAM)

Pan Asia Metals Limited is the only publicly traded battery metals company with advanced lithium projects in South-East Asia, strategically located in Thailand – the largest vehicle producer in the region. With Asia accounting for more than half of the global annual vehicle production, PAM is uniquely positioned to capitalize on the soaring demand for battery minerals in the region.

PAM's dedication to producing innovative, high-value products with a minimal carbon footprint makes us an ideal partner for meeting our needs in both battery chemicals and sustainable energy. PAM is also a respected local company, with a strategy focused on developing an integrated supply chain to cost-effectively deliver relevant and in-demand products to the Li-ion battery market.

PAM is rapidly advancing its Reung Kiet lithium project through pre-feasibility studies and plans to expand its global lithium resource sustainably through the Kata Thong project, also located in Thailand, and other potential low-cost projects globally.

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

Stay up to date with the latest news by connecting with PAM on [LinkedIn](#) and [Twitter](#).

For Investor Enquiries, reach out to:

Paul Lock

Pan Asia Metals Limited
Managing Director
paul.lock@panasiametals.com

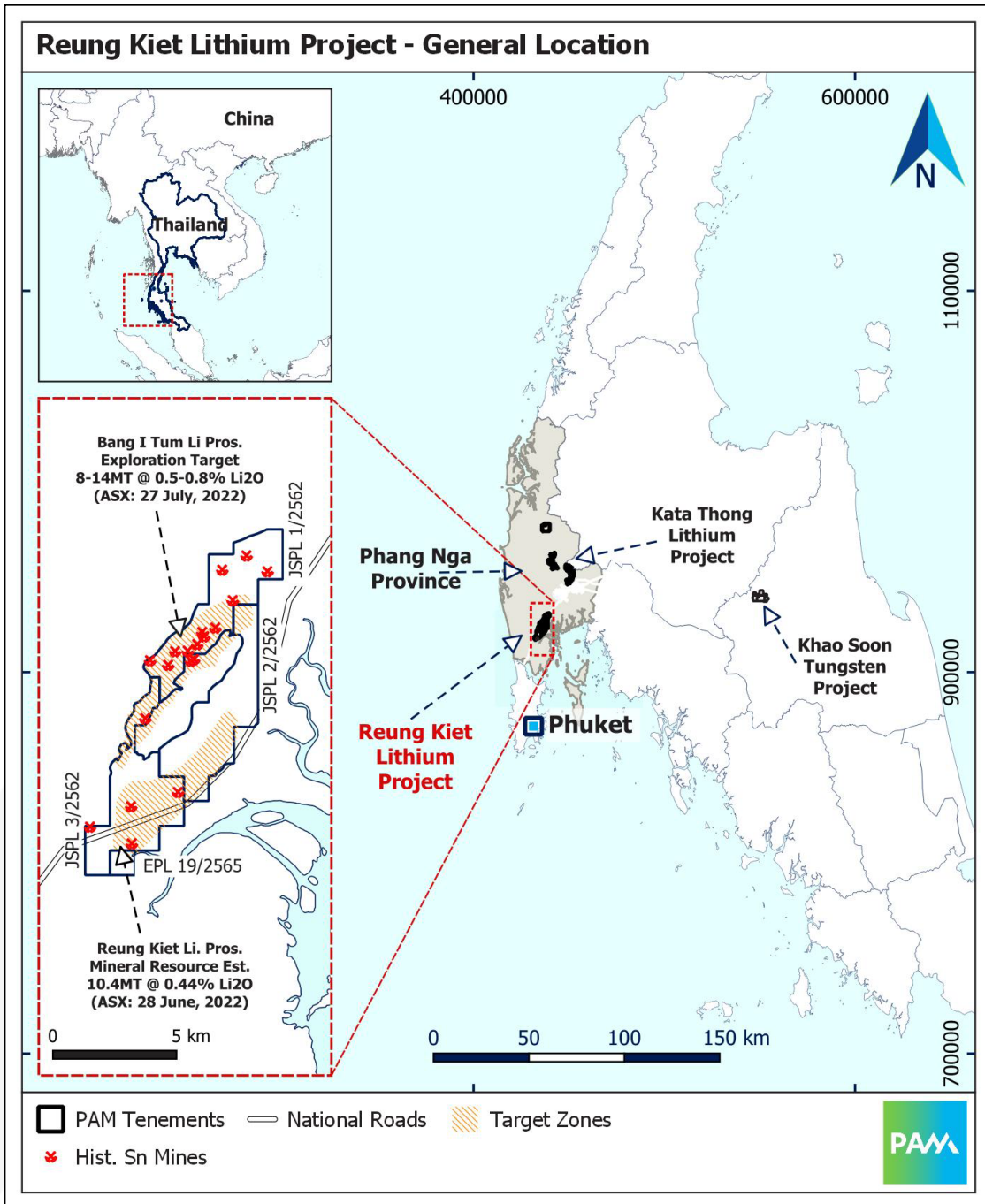
For Media Enquiries, reach out to:

Tish Koh

Pan Asia Metals Limited
Communications & Marketing Manager
tish.koh@panasiametals.com

ABOUT THE REUNG KIET LITHIUM PROJECT

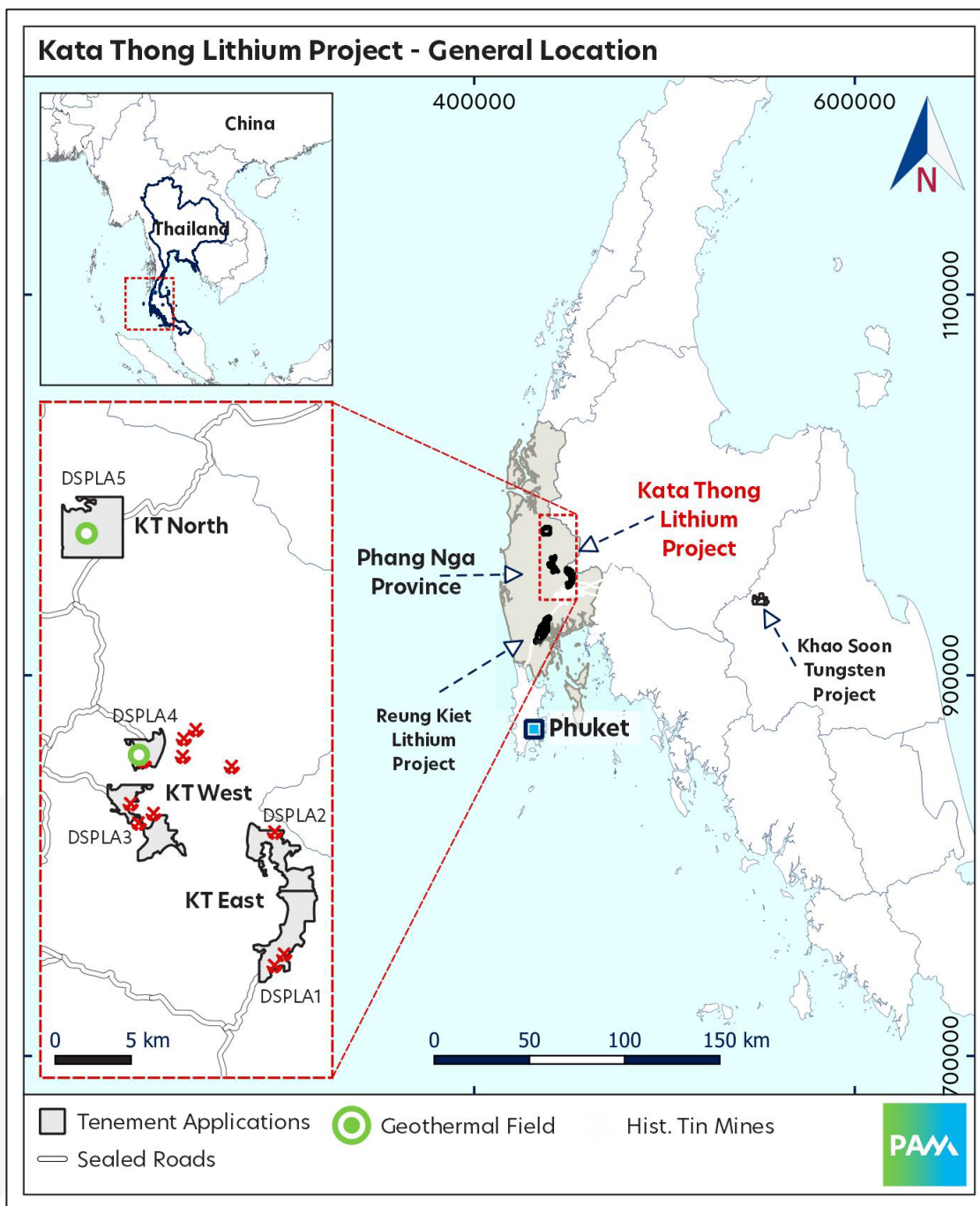
The Reung Kiet Lithium Project is a lepidolite style lithium project located about 70km north-east of Phuket in the Phang Nga Province in southern Thailand. Pan Asia holds a 100% interest in 3 contiguous Special Prospecting Licenses (SPL) and 1 Exclusive Prospecting License (EPL) covering about 40km².



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.

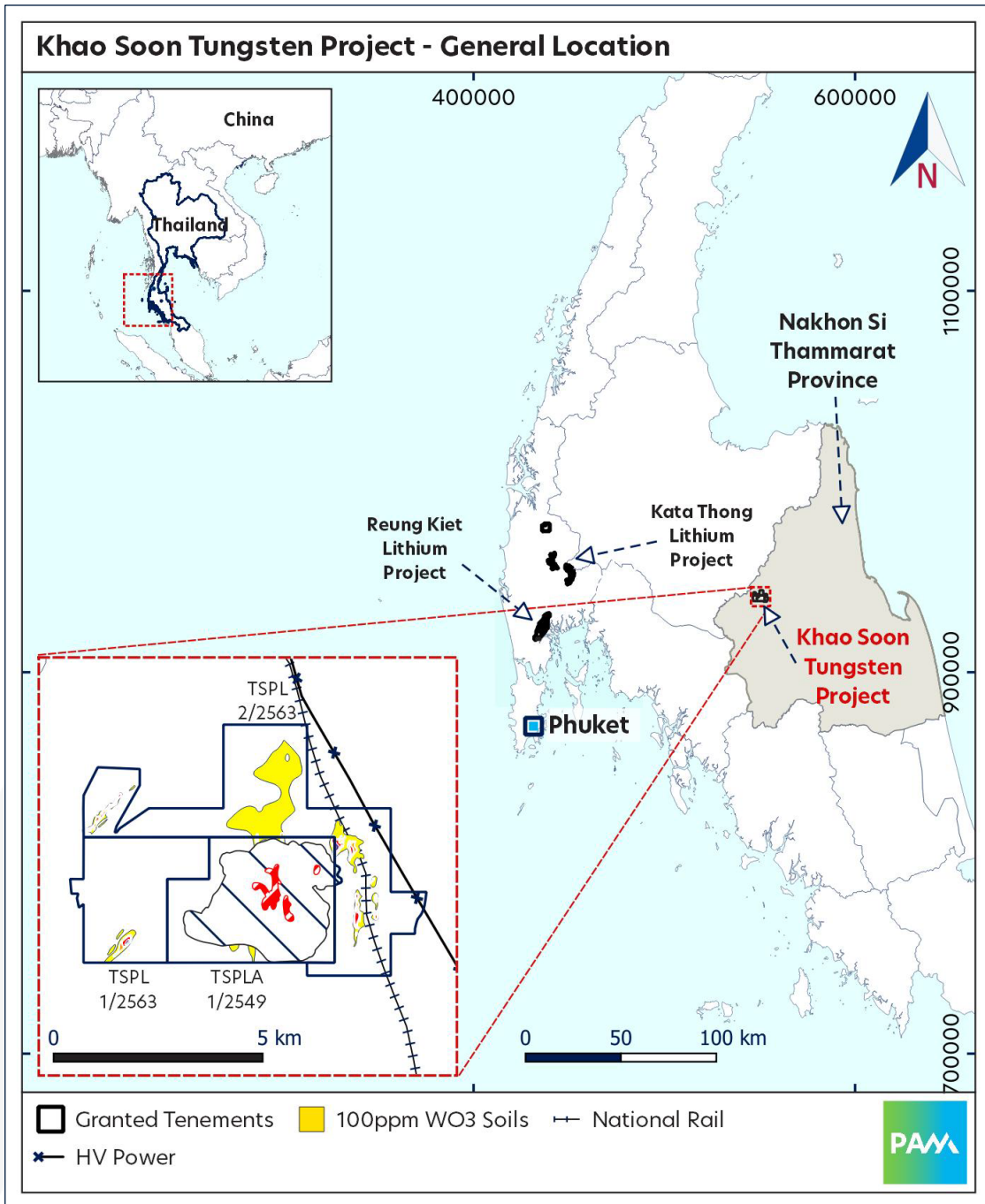


Regional map identifying the location the Kata Thong Lithium Project

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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

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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.

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.

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

PAN ASIA METALS LIMITED

Registration Number

201729187E

Quarter ended ("current quarter")

31 March 2023

Consolidated statement of cash flows	Current quarter \$US'000	Year to date (3 months) \$US'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for	-	-
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(206)	(206)
(e) administration and corporate costs	(372)	(372)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(578)	(578)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(698)	(698)
(e) investments	-	-
(f) other non-current assets	(9)	(9)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (3 months) \$US'000
2.2	Proceeds from the disposal of:	-	-
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other	-	-
2.6	Net cash from / (used in) investing activities	(707)	(707)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,220	2,220
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(152)	(152)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	2,068	2,068
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	970	970
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(578)	(578)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(707)	(707)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,068	2,068

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (3 months) \$US'000
4.5	Effect of movement in exchange rates on cash held	(2)	(2)
4.6	Cash and cash equivalents at end of period	1,751	1,751

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$US'000	Previous quarter \$US'000
5.1	Bank balances	1,751	970
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (Short term bonds)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,751	970

6.	Payments to related parties of the entity and their associates	Current quarter \$US'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	99
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$US'000	Amount drawn at quarter end \$US'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$US'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(578)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(698)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,276)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,751
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,751
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.37
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Yes	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: Yes, as announced to ASX on 31 January 2023, PAM completed a placement to raise A\$4.5m in late January 2023. Of this A\$3.3m (\$US 2.2m) was received during the quarter and the balance of A\$1.2m is expected to be received in early May. Further, Q1FY23 comprised several large one-off feasibility related payments and therefore the quarter spend does not reflect steady state spending.	

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Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, the placement referred to in 8.8.2 above is expected to be sufficient to fund Company's operations for next 9-12 months.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 April 2023

Authorised by: By the Board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.