ASX Announcement | July 10, 2023

Bang I Tum Lithium Prospect
Exploration Target Substantially Increased

Battery and critical metals explorer and developer Pan Asia Metals Limited (ASX: PAM) ('**PAM**' or '**the Company**') is pleased to report an updated Exploration Target for the Bang I Tum Lithium Prospect located in southern Thailand. The Exploration Target is 16-25Mt @ 0.40-0.70% Li_2O and represents a circa 80 to 100% increase in tonnage to the previous Exploration Target of 8-14Mt @ 0.5-0.8% Li_2O.

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.

Exploration Target: 16.0 – 25.0Mt @ 0.40% - 0.70% Li_2O (JORC Code 2012)

Pan Asia Metals' Managing Director Paul Lock said: *"We have provided this drill supported Exploration Target update as guidance to the potential size of the Bang I Tum Lithium Prospect. It is based on our interpretation of mineralisation, geometry, geochemistry and geology, and is supported by 28 diamond drillholes, 7 with assay results, as well as surface soil and rock-chip sampling and associated geological observations. We are aiming to report an inaugural Mineral Resource later this year. Based on this Exploration Target and associated observations, we consider that Bang I Tum has the potential to be considerably larger than the Reung Kiet Lithium Prospect, where an updated Mineral Resource is nearing completion. Combined, these prospects show potential for a long life project, and their proximity to each other positions PAM well for shared plant and feed blending options which will help achieve optimum feed blends, grades and recoveries."*

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This Exploration Target lies within the Bang I Tum Lithium Prospect (Bang I Tum or BIT), which is located about 8km north-east of the Reung Kiet Lithium Prospect in southern Thailand. Pan Asia Metals retains a 100% interest in the project via Special Prospecting License 1 (JSPL1/2562). Grades have also been estimated for Sn, Ta_2O_5, Rb, Cs and K which are all potential by-products depending upon processing methods adopted, see Table 1. The Sn and Ta_2O_5 grades are significant and, as by-product credits, have the potential to improve project economics.

Table 1. RKLP – Bang I Tum Prospect - Exploration Target, 10 July, 2023

	Million Tonnes	Li_2O %	Sn %	Ta_2O_5 (ppm)	Rb %	Cs (ppm)	K (%)
Lower	**16.0**	**0.70**	**0.16**	**130**	**0.30**	**250**	**2.80**
Upper	**25.0**	**0.40**	**0.11**	**90**	**0.25**	**200**	**2.40**

The Exploration Target is an update from the previous Exploration Target reported on 27 July 2022 (see Table 2).

Table 2. RKLP – Bang I Tum Prospect – Previous Exploration Target, 27 July, 2022

	Million Tonnes	Li_2O %	Sn %	Ta_2O_5 (ppm)	Rb %	Cs (ppm)	K (%)
Lower	8.0	0.80	0.09	120	0.30	250	2.80
Upper	14.0	0.50	0.07	95	0.24	210	2.40

The updated Exploration Target takes into account newly acquired information which has served to extend the previous Exploration Target to the east, north and west. Some of these zones still remain open and await drill testing (see Figure 1).

The updated Exploration Target is based on the current geological interpretation of mineralisation, geometry, geochemistry and geology. This is provided by 28 diamond drillholes with assay results for 7 of these holes, surface soil and rock-chip sampling and associated geological observations.

PAM aims to report an inaugural Mineral Resource for Bang I Tum later in 2023.

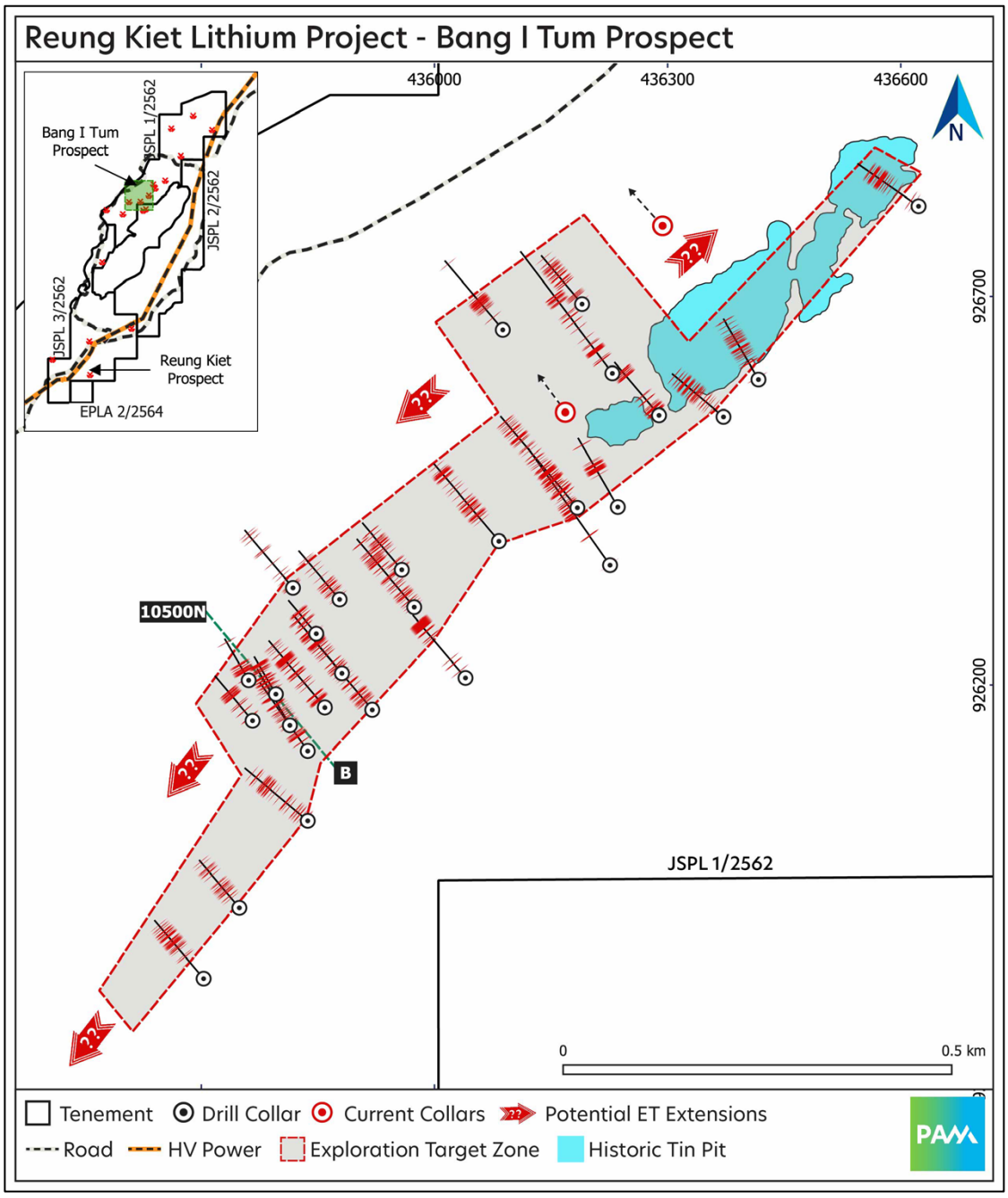


Figure 1 Bang I Tum Lithium Prospect – Exploration Target Zone

The Exploration Target, being conceptual in nature, does not account for potential geological complexity, possible mining methods or metallurgical recovery factors. The Exploration Target was estimated in order to provide an assessment of the potential scale of the mineralisation intersected in drilling and supported by surface results and observations along the trend.

The Exploration Target has been defined as follows:

Drillholes BTDD001-BTDD028 were plotted onto cross sections spaced from 50m to 300m apart. This resulted in 13 separate cross sections along a strike length of approximately 500m. Available assay intersections were plotted on holes BTDD001-007, with pegmatite intervals plotted on the remaining holes which do not have assays. Surface mapping and geochemistry were also interpreted on these cross sections to assist with interpretation.

The estimation method can be described as a modified polygonal cross sectional end area method. The polygonal blocks were created by using the aggregate pegmatite true width contained within the downhole intersection. For example, if a zone of 40m contains an aggregate mineralised width or pegmatite width of 20m then the percentage is 50%. This method is applied due to the pegmatites occurring as a swarm of dykes and veins that are difficult to interpret and model individually. The total volume of the polygonal block was then multiplied by the percentage of pegmatite or mineralised intervals occurring in the downhole width.

The volume of aggregate mineralisation or pegmatite volume is then multiplied by strike length (halfway to nearest drillhole or arbitrary boundary north and south along strike). The down-dip extent of the polygonal blocks is projected halfway to nearest drillholes on the cross section or an arbitrary boundary being the land surface and a point 200m below surface (see Figure 2). On sections containing only a single drillhole, or in areas of broad spaced drilling, further extrapolation of data up and down dip and along strike is required. Volume is then converted to tonnage using a density of 2.6t/m^3, which is a weighted average derived from numerous density measurements of drill core.

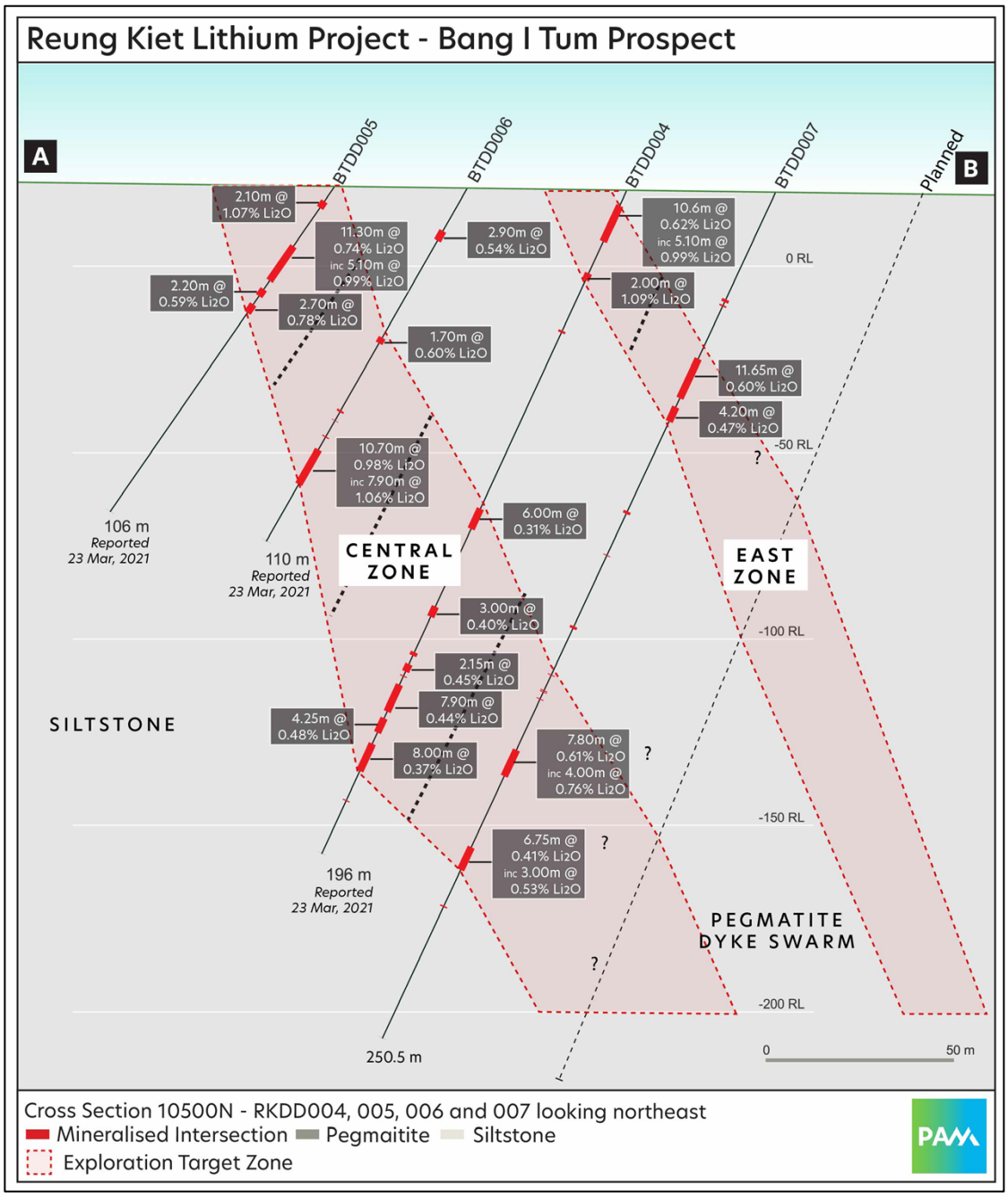


Figure 2. Cross Section BTDD004, 005, 006 and 007

For the drillholes with assay results, the polygons were constructed using a >0.10% Li_2O cut-off with average grades for Li_2O, Sn, Ta_2O_5, Rb, Cs and K then calculated. Average grades were also calculated using a >0.40% Li_2O cut off. No top cut-off was applied. The upper tonnage and grades represent 100% of the polygon tonnage and contained average grades, or contained pegmatite. The lower tonnage estimate

represents approximately 60% of the upper tonnage. This was based on the ratio of sample values greater than 0.40% Li_2O versus the number of samples greater than 0.10% Li_2O. Where lithium levels of <0.10% Li_2O were encountered, tin was used to define polygon volume/tonnage using a cut-off grades of >0.10% Sn. Average Sn and Ta_2O_5 grades were estimated for these zones. This only applies to the holes beneath the historical tin mine. These mineralised zones also contain about 10% Li_2O mineralisation by volume, all of which is combined into the Exploration Target estimate and weighted average grades calculated as reported in Table 1.

PAM is testing the Exploration Target with further drilling which is expected to continue for the next 2-3 months. Drilling results are expected in the near term and will be reported when received.

A metallurgical test work program is also planned to evaluate potential metallurgical performance of the mineralisation.

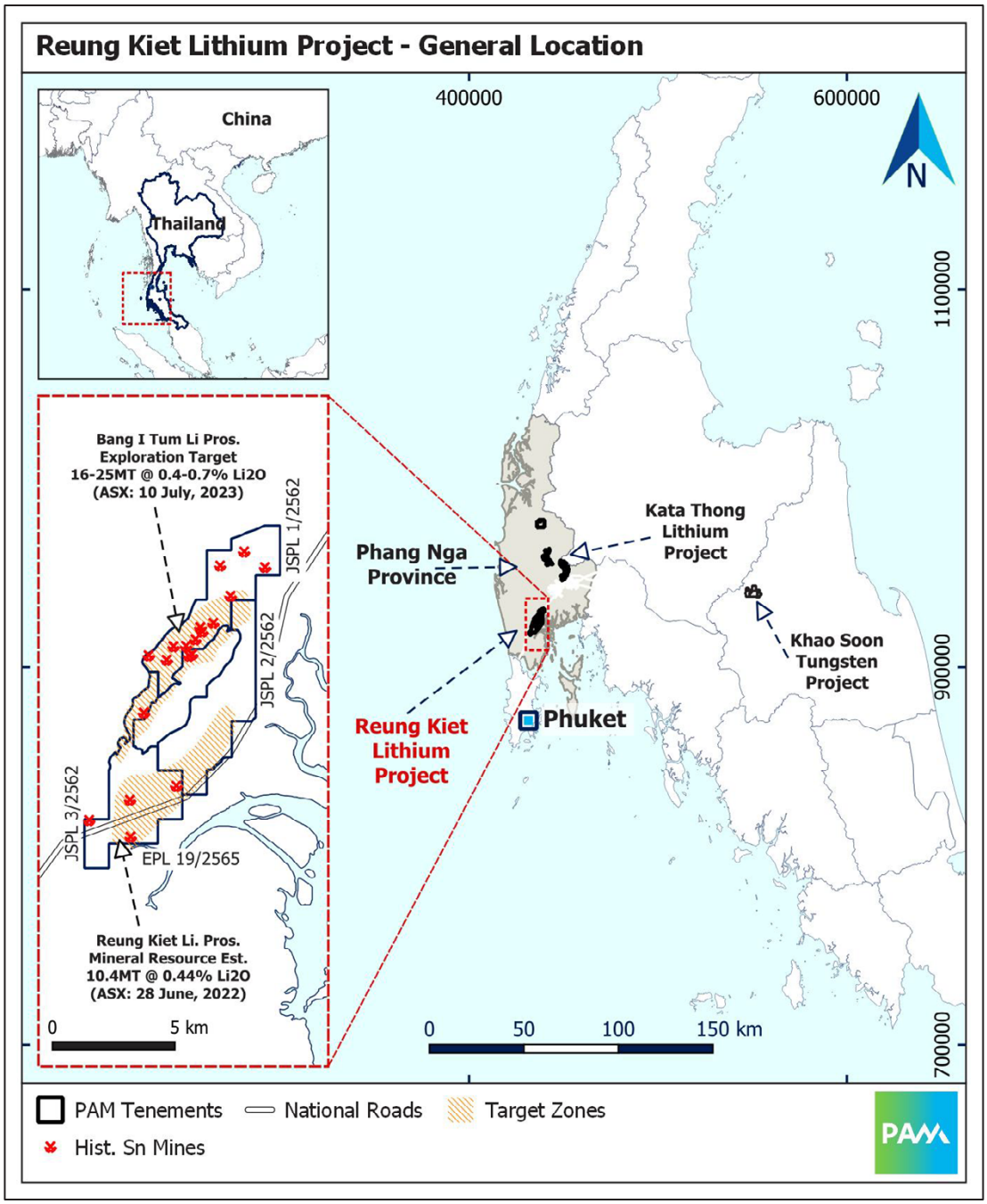
PAM aims to report an inaugural Mineral Resource for Bang I Tum later in 2023.

Ends

Authorised by:
Board of Directors

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 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.

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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.

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 drillcore samples were selected in order to ascertain the degree of lithium enrichment. The samples are representative of the lithium mineralisation within the samples collected. Drillcore 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? For all sample types, nature, quality and appropriateness of sample preparation technique.	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 pulverised to 85% passing 75 microns. The laboratory reports QA/QC particle size analysis for crushed and pulverised samples. The laboratory also reports

Criteria	JORC Code explanation	Commentary
	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.	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 Certified Reference Material and 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, 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 BTDD006 are derived from DGPS, with approximately 10cm accuracy (X,Y and Z). From BTDD007 onwards holes are located with handheld GPS with accuracy of 2-5m in XY. The Z value is derived from PAM's drone based topographic model with about 2 m 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 50-300m apart on section, with multiple 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. The Cretaceous age Khao Po granite intrudes into

Criteria	JORC Code explanation	Commentary
		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 > 0.1% Li_2O, and allow for up to 2m intervals of internal dilution.. 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 +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 65-75 degrees southeast. Holes were drilled at -55 to -60 degrees towards the northwest (normal to strike). The true width of the mineralisation reported is around 65-70% 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. Soiland rock-chip by Pan Asia indicate additional mineralisation maybe present along trend to the south. The whole mineralised trend at BIT is approximately 1.5km long.

Criteria	JORC Code explanation	Commentary
	characteristics; potential deleterious or contaminating substances.	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).	Pan Asia is continuing to drill at BIT and this includes both infill and extensions to the existing drill pattern along the Exploration Target trend and immediate surrounds.