

ASX Announcement | 28 August 2023

Pink Lithium Project - ~200km² Added to Project Area

HIGHLIGHTS

- An additional ~200km² of Salar de Pintados secured
- Increases PAM's holdings to ~1,600km², which is ~13% of the highly prized Pampa del Tamarugal Basin
- Cements PAM's leadership position in the Pampa del Tamarugal Basin and the Li Brine and Li Clay peer groups
- Multiple surface assays above 1,000ppm Li and up to 2,200pp Li
- Data review underway with preliminary results imminent.
- Drilling preparations underway.

Pan Asia Metals Managing Director, Paul Lock, said: *"We're not sitting still, on the tail of positive news coming out of Chile regarding lithium exploration and development we are pleased to secure an additional circa 200km² of exploration concession applications at our Pink Lithium Project which are highly prospective for Li Brines and Li Clays following our field trip earlier in August. This is on the back of positive news out of Chile with the Government vowing to take a pragmatic approach to opening up new areas for lithium mining on a call last week with more than 400 lithium industry representatives. Chile's new public-private model will see private firms to retain control of projects in non-strategic areas (i.e. those not on Salar de Atacama or Maricunga), with the Government adopting a flexible strategy to attract the private sector to participate. Chile is looking to reverse the decline in its market share of lithium as well as looking to encourage downstream investments. Companies able to add value will have an advantage under the new model, which fits perfectly with PAM's mid-stream chemical strategy. PAM's holding in the highly prized Pampa del Tamarugal Basin has increased to 13% of the basin."*

28 August 2023 - Battery Materials explorer and developer Pan Asia Metals Limited (ASX: PAM) ('PAM' or 'the Company') is pleased to report that it has secured an addition ~200km² of concession application area prospective for Li brines and Li clays at the Pink Lithium Prospect situated in the Tarapaca region of the Atacama Desert in northern Chile.

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The new exploration application areas increase PAM's holdings in the highly prized Pampa del Tamarugal Basin by ~200km² to ~1,600km², or about 13% of the basin.

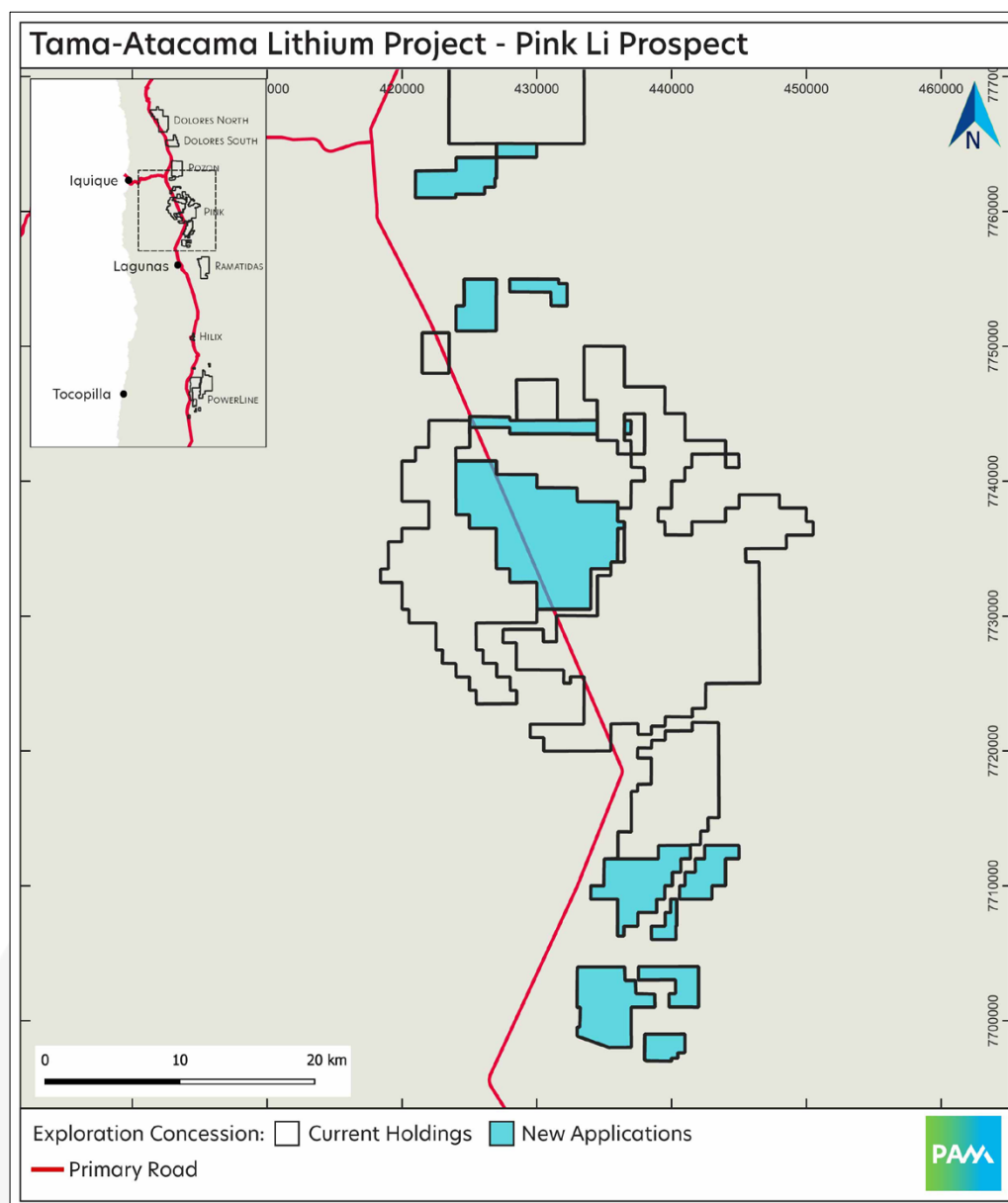


Figure 1. Pink Lithium and southern end of Pozon Lithium Prospects

Project Overview

Location and Access

The Pink Lithium Prospect (Pink) is located in the Tarapacá Region, in northern Chile, near the town of La Tirana and other small settlements. The Salar Pintados and Bellavista are part of the larger PT Basin. The area has excellent access with the major northern highway (Ruta 5) running through it, as well as a network of other roads and tracks. The nearest

large city is Iquique-Alto Hospicio, located around 80-90km on the coast to the west. The mining service town of Pozo Almonte is located immediately north of the project area.

Land Ownership and Tenure

The project area hosts a variety of land uses, in the north and east there is private residential land in and around several villages, small acreage land with 'weekend homesteaders', some military land, some Forest Reserve land and some other public lands. The western and southern parts of the project area hosts an extensive zone of salt crust associated with Salar's Pintados and Bellavista, this area is sparsely populated to unpopulated.

Kura Thomas Eggers (TE) currently holds approximately 71km² of granted exploration concessions. An additional 548km² of exploration concession applications are held by PAM and Rajo (see Figures 1 and 2).

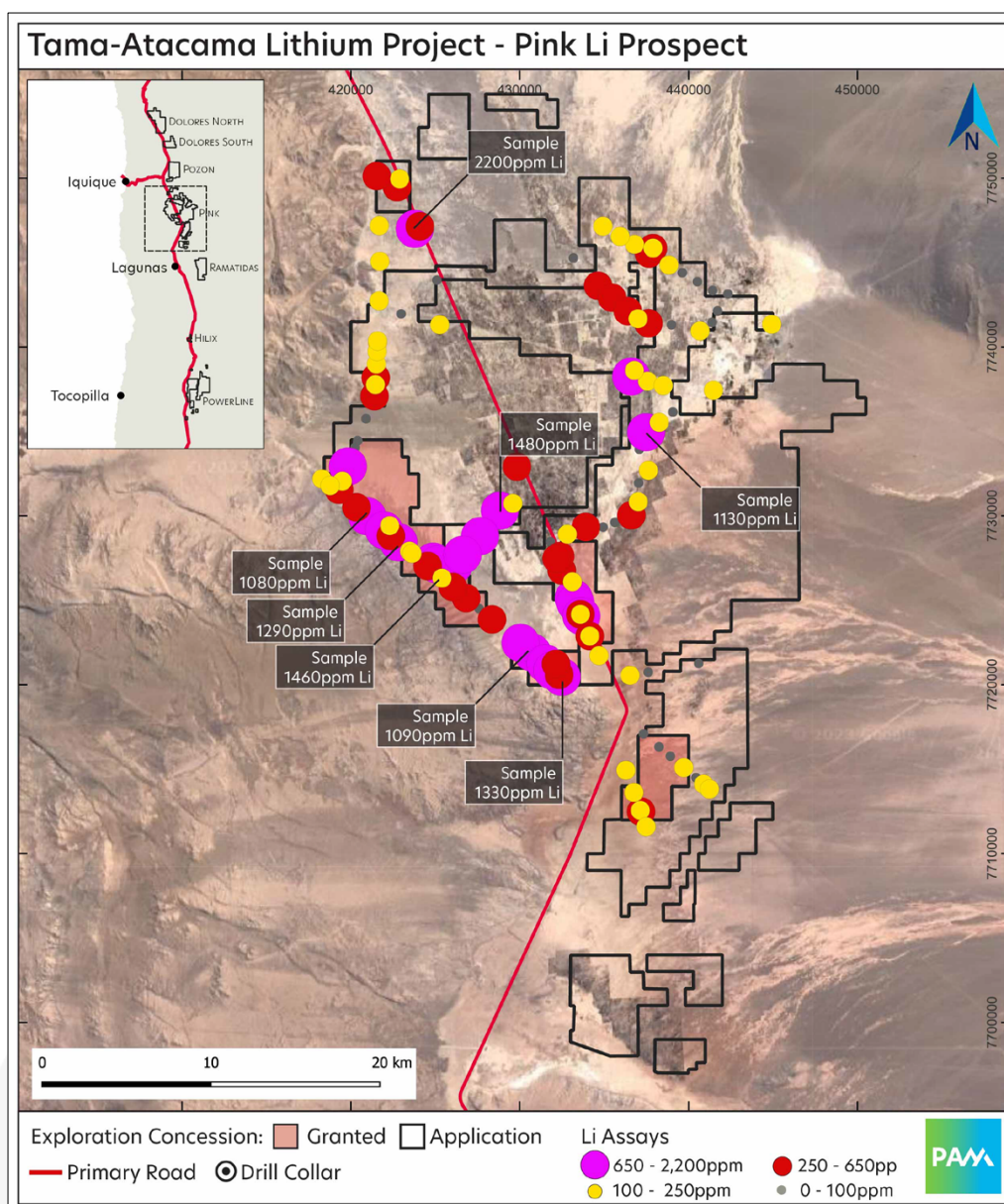


Figure 2. Pink Lithium Prospect

Previous Mining and Exploration

Certain areas of the Salars host historic borate, potassium and salt extraction, with many areas immediately west of the Salar the host to historic nitrate mining. There is little record of any of these past mining activities. Records for previous exploration and mining are essentially non-existent as there was no requirement to lodge reports for exploration or mining activity in Chile at that time.

In the 1960's-70's ENAP, the then National Petroleum Company, conducted oil and gas exploration in the PT Basin. Work included seismic surveying and drilling. Reported drilling

results indicate basin sediments from around 300-700m thick with brines located within this horizon.

There are some reports about shallow groundwater investigations, particularly in the north to eastern parts of Salar Pintados. These remain to be fully interpreted.

Deposit Model

PAM believes the Pink prospect has potential for deeper Li rich brines from about 250-700m, which are hosted in consolidated to semi-consolidated sedimentary/evaporite horizons. At and near surface. PAM believes there is potential for Li hosted in clays and evaporite layers.

Modern Exploration

More recent exploration, since 2016, has been conducted by Rajo in conjunction with ASX-listed Specialty Metals Limited (ASX:SEI). SEI were awarded 20 exploration concessions covering the southwestern parts of Salar de Pintados and northern parts of Salar Bellavista. From 2016-2018 Rajo/SEI collected 128 samples that now occur within or immediately adjacent to the granted concessions and concession applications. These samples are mostly from the near surface salt/gypsum crust with lesser samples of adjacent clay rich zones. Samples were taken along traverse lines using roads, tracks associated with powerlines, pipelines and the railway line. The samples were nominally collected at 1km spacings however, this does vary a little. PAM now has this data. The Rajo/SEI relationship concluded in 2019 and SEI exited Chile, with Rajo continuing to explore.

During PAMs visit in early 2023, a total of 12 samples were collected at or near some of the Rajo/SEI sample locations. PAM results were in line with Rajo/SEI results. The combined sampling results for Li are shown in Figure 3 which indicate numerous areas of elevated to highly elevated Li, with many values >250ppm Li and ranging up to 2200ppm Li. The area defined by elevated lithium is interpreted to be greater than 250km². Elevated Li values are commonly associated with elevated B, K and Mg. SEI also reported the results from interpretation of aeromagnetic data and that they had been given approval to conduct drilling in the Pink project area.

Rajo have also collected surface samples at numerous other Salar's in this part of Chile. This was done as an orientation/learning exercise. The most instructive of these samples are those collected from the Salar de Atacama where Sociedad Química y Minera, a Chilean chemical company and Albemarle Corporation (ASX:ALB) are extracting lithium rich brines. The salt crust samples collected from Salar de Atacama have a similar grade distribution as those collected from Salar de Pintados. Other Salar's sampled contain

variable amounts of Li in the surface crusts. Some contain very little however, Salars with known Li rich brines usually have Li in near surface salt crusts.

Plans for Evaluation

Desktop work to date has resulted in some literature regarding the Salars, mostly regarding groundwater evaluations. There appear to be quite a few shallow monitoring wells and larger freshwater production wells, especially in the east and north. Some of these wells in PAM target areas may provide suitable sites for water sampling and analysis, as well as inputs for groundwater assessments and modelling. This data and other discovered data should provide further information relevant to evaluation.

To evaluate the potential for sub-surface brine to depths down to 500m, electrical geophysics such as resistivity or electromagnetics is proposed. Should this prove successful in locating conductive brine, then broad spaced drilling would be undertaken aiming to sample the brine horizons.

Conclusions and Future Work

PAM is finalizing desktop studies for the PINK Project which includes evaluation of previous seismic work and drilling conducted for oil exploration. Previous groundwater studies have also been undertaken are also being evaluated. PAM believes that the PINK project has strong potential to host lithium brines as well as potential for lithium clays. PAM's aim is to commence drilling as soon possible which will evaluate both brine and clay target zones.

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

Ends

Authorised by:
Chairman and Managing Director

ABOUT PAN ASIA METALS LIMITED (ASX:PAM)

Pan Asia Metals Limited is the only publicly traded battery materials company with lithium projects in South-East Asia and South America, and with agreements with key battery and chemical producers in the Asian region to produce advanced battery chemicals.

PAM's Asian assets are 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 South American assets are strategically located in the Atacama region of Chile, with both lithium brine and lithium clay assets located on key infrastructure 40km from the coast and 75km from Iquique with a large port and commercial airport.

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 lithium projects through to feasibility and plans to expand its global lithium resource sustainably through its extensive holdings in Asia and South America.

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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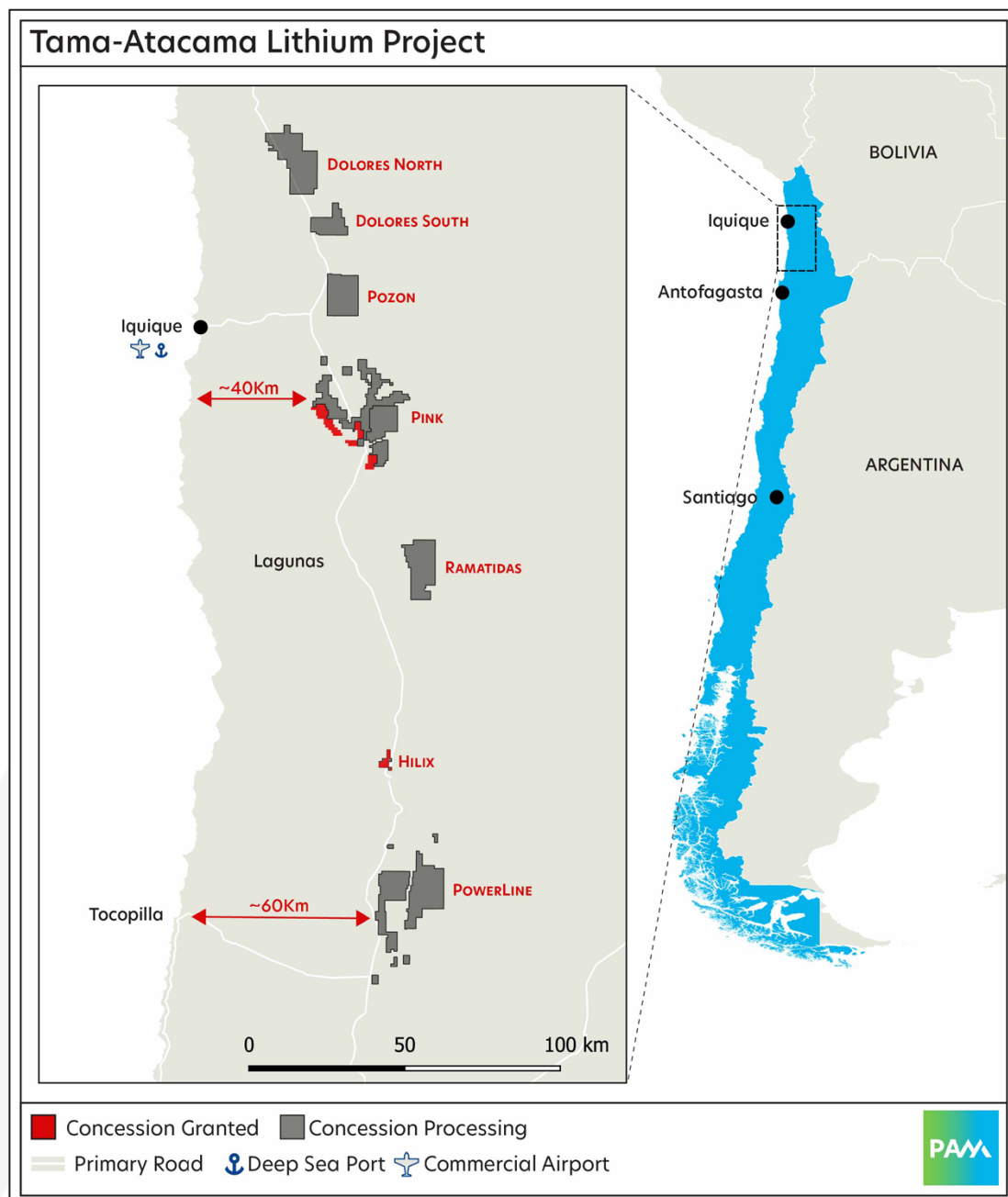
For Media Enquiries, reach out to:

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ABOUT THE TAMA ATACAMA LITHIUM PROJECT

The Tama-Atacama Lithium Project is located in the Pampa del Tamarugal basin in the northern part of the Atacama Desert, in northern Chile. PAM's holdings include brine and clay style projects covering over 1400km². In many areas surface samples >2200ppm Li have been generated and parts of the Project are supported by historical drilling, with many intersections greater than 1,000ppm Li over substantial widths.



Regional map identifying the location of the Tama Atacama Lithium Project

Competent Persons Statement

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, Rajo geochemical sampling

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <i>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.</i> <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> <i>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.</i> 	<ul style="list-style-type: none"> In many areas samples of salt crust or days exposed at surface have been collected. Samples were taken as random rock (rock salt or clay) chips Samples were sent to ALS Geochemistry laboratory in La Serena Chile. In the laboratory, standard sample preparation methods were used (crushing and pulverisation)
Drilling techniques	<ul style="list-style-type: none"> <i>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).</i> 	<ul style="list-style-type: none"> Not applicable – no drilling undertaken.
Drill sample recovery	<ul style="list-style-type: none"> <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i> <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i> <i>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.</i> 	<ul style="list-style-type: none"> Not applicable – no drilling undertaken.

Logging	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Not applicable – no drilling undertaken.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Not applicable – no drill samples taken, full description of sampling provided above.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Pan Asia has MOU's and option agreements with Rajo and Kura. Kura have about 84km² of Exploration Concessions and Rajo/PAM have about 1330km² of Exploration Concession applications. Each concession measures 1kmx3km, with some 2 x 1 or 1 x 1 and are held for 2 years. No known impediments for future exploration and development
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Little to no information for any prior exploration is available, aside from PAM/Rajo data which is contained in the public report. In vicinity of many Exploration Concessions Concessions/applications and there was previous nitrate, borate, iodine mining from near surface rich layers.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> Deposit types include near surface Li in evaporite and/or clays, and Li hosted in deeper brine aquifers which occur in zones within the Pampa del Tamarugal sedimentary basin

Drill Information	<ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> ○ 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. 	<ul style="list-style-type: none"> • Not applicable – no drilling undertaken.
Data aggregation methods	<ul style="list-style-type: none"> • 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. • The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> • Not applicable – no cut offs applied, assay values only limited by limits of detection and in the results reported few values below limit of detection are reported.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • 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'). 	<ul style="list-style-type: none"> • Not applicable – no drilling undertaken.
Diagrams	<ul style="list-style-type: none"> • Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being 	<ul style="list-style-type: none"> • Appropriate diagrams with Li geochemical information are reported in body of public report.

Criteria	JORC Code explanation	Commentary
	<i>reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	
Balanced reporting	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The objective is lithium in saline groundwater brine or near surface clays/evaporites The assays for lithium in salt crusts and clays which were sampled because they are exposed at surface, may be related to lithium contents in saline groundwater at depth and/or near surface zones. To date no drilling has been done so that it is not known what the relationship between assays for lithium in salt crusts and lithium contents in saline groundwater at depth may be
Other substantive exploration data	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> There is a lack of published information for much of the Concession areas.
Further work	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The ultimate aim is drill testing to obtain samples of near surface clays and evaporites as well as deeper drilling to obtain saline groundwater brine for assay for lithium and related elements

APPENDIX 4 - JORC Code, 2012 Edition - Table 1

Hilix Li Project Drilling

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <i>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.</i> <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> <i>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.</i> 	<ul style="list-style-type: none"> Reverse circulation drilling was utilised Samples collected on 1m interval via a cyclone and passed through a riffle splitter to generate a 1-2kg sample. Samples were analysed by ALS laboratories in La Serena Chile using XRF for uranium and ICP for Li, V, Sr
Drilling techniques	<ul style="list-style-type: none"> <i>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).</i> 	<ul style="list-style-type: none"> Reverse circulation percussion – 1-2kg riffle split sample from cyclone It is not known if a face sampling hammer or aircore was used.

Criteria	JORC Code explanation	Commentary
Drill sample recovery	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Measures of sample recovery were not recorded
Logging	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> All chip samples were geologically logged in sufficient detail to be utilised in mineral resource estimation Logging was qualitative in nature All intervals including those with no significant intersections were logged
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Sampled at 1m intervals via a cyclone and passed through a riffle splitter to generate a 1-2kg sample. Sample preparation completed by ALS Laboratories La Serena using their standard protocols No QAQC samples were reported in the data provided Sample size is sufficient for the style of mineralisation
Quality of assay data and	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is 	<ul style="list-style-type: none"> XRF was utilised to assay for U and ICP for Li, V, Sr which is considered appropriate Down hole spectrometer was

Criteria	JORC Code explanation	Commentary
laboratory tests	<p><i>considered partial or total.</i></p> <ul style="list-style-type: none"> 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, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<p>utilised to assess the uranium mineralisation potential</p> <ul style="list-style-type: none"> No documented QAQC procedures
Verification of sampling and assaying	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Significant intercepts have not been verified by independent or alternative company personnel No drillholes have been twinned, although some relatively close spaced drilling was undertaken Historical data was derived from ASX releases. No protocols for data capture were provided As far as the CP is aware, no adjustments have been made to assay data.
Location of data points	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Drillhole locations were located using handheld GPS and plotted onto plans. The drill plan was registered "in space" the collar coordinate was derived. The accuracy is about +/-10m in X-Y and Z. Elevation was derived from drill collar plotted onto Google Earth. The topography is essentially flat and this is reflected in collar elevations derived from Google Earth. All drilling was vertical Co-ordinates are provided in the PSAD56/UTM Zone 19S
Data spacing and distribution	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> Drilling was conducted on 60-100m line spacing with holes spaced 60-250m on sections Drilling is not being used to report a Mineral Resource or Ore Reserve Sample compositing has been

Criteria	JORC Code explanation	Commentary
	<p><i>Reserve estimation procedure(s) and classifications applied.</i></p> <ul style="list-style-type: none"> • <i>Whether sample compositing has been applied.</i> 	<p>applied to calculate intersections.</p>
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • Mineralisation is interpreted as flat lying to gently dipping and as such the vertical holes approximate a true width of mineralisation • Further drilling is required in order to adequately define the geometry of mineralisation in order to determine if any bias has been introduced
Sample security	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • Sample security measures are not known.
Audits or reviews	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • No reviews or audits have been undertaken.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> • <i>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.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • The Hilix Project has been secured by Kura Minerals under 5 granted Exploration Concessions covering 13km². Pan Asia has an MOU and exclusive option to conduct due diligence on the project with a view to formally acquiring • Kura Minerals under 5 granted Exploration Concessions covering 13km². Tenement/project due diligence is ongoing as part of the transaction. Pan Asia is currently not aware of any impediments to operating in the area.
Exploration done by other parties	<ul style="list-style-type: none"> • <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> • Lefroy exploration completed predominantly uranium focused exploration across the Project and through the process of the evaluation of uranium potential, lithium was also analysed and

Criteria	JORC Code explanation	Commentary
Geology	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<p>was determined to be significant</p> <ul style="list-style-type: none"> The main lithological units comprise fluvo-lacustrine sediments largely exposed in the Loa River canyon and its tributaries, represented by the Quillagua Formation of Miocene to Pliocene age and Soledad Formation of Pliocene in age. Both formations include strata of diatomites, fine sandstones, claystone, tuffs, gypsum and subordinate halite in evaporites deposited into the Pampa del Tamarugal basin. All of this units has been formed during an exceptional aridity conditions, particularly during the post-Oligocene period (from ~25 M.a. to the present), considered today the most driest place on Earth: Two target mineralisation styles are present inclusive of lithium brines hosted within the sedimentary package and lithium clays nearer surface.
Drill hole Information	<ul style="list-style-type: none"> <i>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:</i> <ul style="list-style-type: none"> <i>easting and northing of the drill hole collar</i> <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> <i>dip and azimuth of the hole</i> <i>down hole length and interception depth</i> <i>hole length.</i> <i>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.</i> 	<ul style="list-style-type: none"> Drillhole data are tabulated in Appendices of the announcement. All information available has been published

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Data aggregation methods	<ul style="list-style-type: none"> <i>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.</i> <i>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.</i> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> Length weighted averaging has been applied No metal equivalents have been utilised
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> <i>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').</i> 	<ul style="list-style-type: none"> Intercepts are quoted as downhole lengths, it is interpreted that the flat lying geology and vertical drill holes mean that intercepts approximate true width
Diagrams	<ul style="list-style-type: none"> <i>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.</i> 	<ul style="list-style-type: none"> Maps and cross sections are included in the body of the announcement.
Balanced reporting	<ul style="list-style-type: none"> <i>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.</i> 	<ul style="list-style-type: none"> All results are reported.
Other substantive	<ul style="list-style-type: none"> <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey</i> 	<ul style="list-style-type: none"> All relevant data are reported in this release.

Criteria	JORC Code explanation	Commentary
exploration data	<i>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.</i>	
Further work	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> Exploration targeting is to be conducted to prioritise areas of further sampling prior to drilling to test the extents of mineralisation within the Concessions, an area of about 3km long by 1-2km wide will be targeted.