

James Bay Lithium Project Acquisition and Offtake Payment

HIGHLIGHTS

- Pinnacle to acquire 75% interest in the Adina East Lithium Project, located in the prolific James Bay lithium district of Quebec from Electrification and Decarbonization AIE LP (the E&D Fund), an investment fund managed by Waratah Capital Advisors Ltd (Waratah)
- Adina East Lithium Project claims cover 72.7km² and are:
 - Proximal to Adina Lithium Project (Winsome Resources: WR1.ASX)
 - Adjacent to Trieste Lithium Project (Loyal Lithium: LLI.ASX) and Tilly Lithium Project (WR1.ASX)
- US \$500,000 offtake pre-payment to be made to Pinnacle by the E&D Fund in consideration for offtake rights to 25% of any minerals extracted from Adina East Project
- Adina East Project partners are funds managed by Waratah, a global asset manager with over \$4B CAD in assets under management
- Lithium Royalty Corp. (LRC – LIRC.TSE) retains a 2.0% gross revenue royalty on the Adina East Project. LRC is also a royalty holder in projects at various stages of development, including Allkem's Mt. Cattlin Project, Sigma Lithium's Grota do Cirilo project, Core Lithium's Finniss Project, and Winsome Resources' nearby Adina Project
- Detailed satellite and radar analysis designed to detect lithium-bearing minerals has generated 60 targets for field investigation by rock chip sampling and mapping
- Fieldwork to map and collect rock chips anticipated to occur in October / November 2023 to follow up:
 - Mapped pegmatite occurrences (Ministère des Ressources naturelles et des Forêts)
 - Sentinel 2 and Synthetic Aperture Radar (SAR) generated targets
- Geology and structural settings are favourable for potential lithium and gold discoveries with the Project bordering an interpreted extension of the Trieste Greenstone Belt
- Mr. Bill Witham to transition to the role of Executive Chairman to provide technical and lithium exploration expertise

Pinnacle Minerals Ltd (ASX: **PIM**) ("**Pinnacle**", the "**Company**") is pleased to announce that it has entered into a conditional agreement with a subsidiary of Waratah's Electrification and Decarbonization AIE LP fund (**Vendor**), to acquire a 75% interest in the Adina East Lithium Project in the prolific lithium region of James Bay, Quebec, Canada ("**Project**") (the "**Acquisition**"). The Project claims cover 72.7km², bordering an interpreted extension of the Trieste Greenstone Belt and is located 24km from Winsome Resources' (ASX:WR1) Adina Project which recorded 1.34% Li₂O over 107.6m¹ and grades up to up to 4.89% Li₂O². The Project is also adjacent to the Loyal Lithium (LLI.ASX) Trieste Project and the Winsome Resources (WR1.ASX) Tilly Project.

1 - Winsome Resources (ASX:WR1) ASX Announcement: "Strong lithium mineralisation from first Adina assays" – 6 January 2023
2 - Winsome Resources (ASX:WR1) ASX Announcement: "Exceptional High Grade Lithium Assays from Adina" - 1 September 2022

As part of the Acquisition, Pinnacle has agreed to grant the Vendor (or its nominee) the right to purchase 25% of all minerals extracted from the Project in consideration for a USD \$500,000 offtake prepayment. This payment will fund the transaction and initial exploration of the Project which is anticipated to commence in October 2023. The net result of the transaction is a "pro forma" increase to the balance sheet of circa AU\$650,000.

Pinnacle has partnered with Waratah's E&D Fund on this transaction, and it is anticipated that the partnership will strengthen and help expand Pinnacle's footprint in not only Quebec but other jurisdictions prospective for lithium mineralisation. The key Acquisition terms are included on page 4 of this announcement.

Pinnacle Minerals Managing Director, Nic Matich, commented:

"This acquisition not only provides an exceptional lithium exploration opportunity for Pinnacle Minerals but brings with it a partnership with Waratah and Lithium Royalty Corp. This partnership is anticipated to allow Pinnacle to expand and grow the Company's critical mineral portfolio further. Preselling a 25% offtake for US \$500,000 shows the "offtakers" confidence in the Project and bolsters our cash reserves in a climate where the dilutive effect of raising capital is destructive to junior explorers. Lithium Royalty Corp. has royalties in 32 projects globally highlighting its global expertise in the sector."

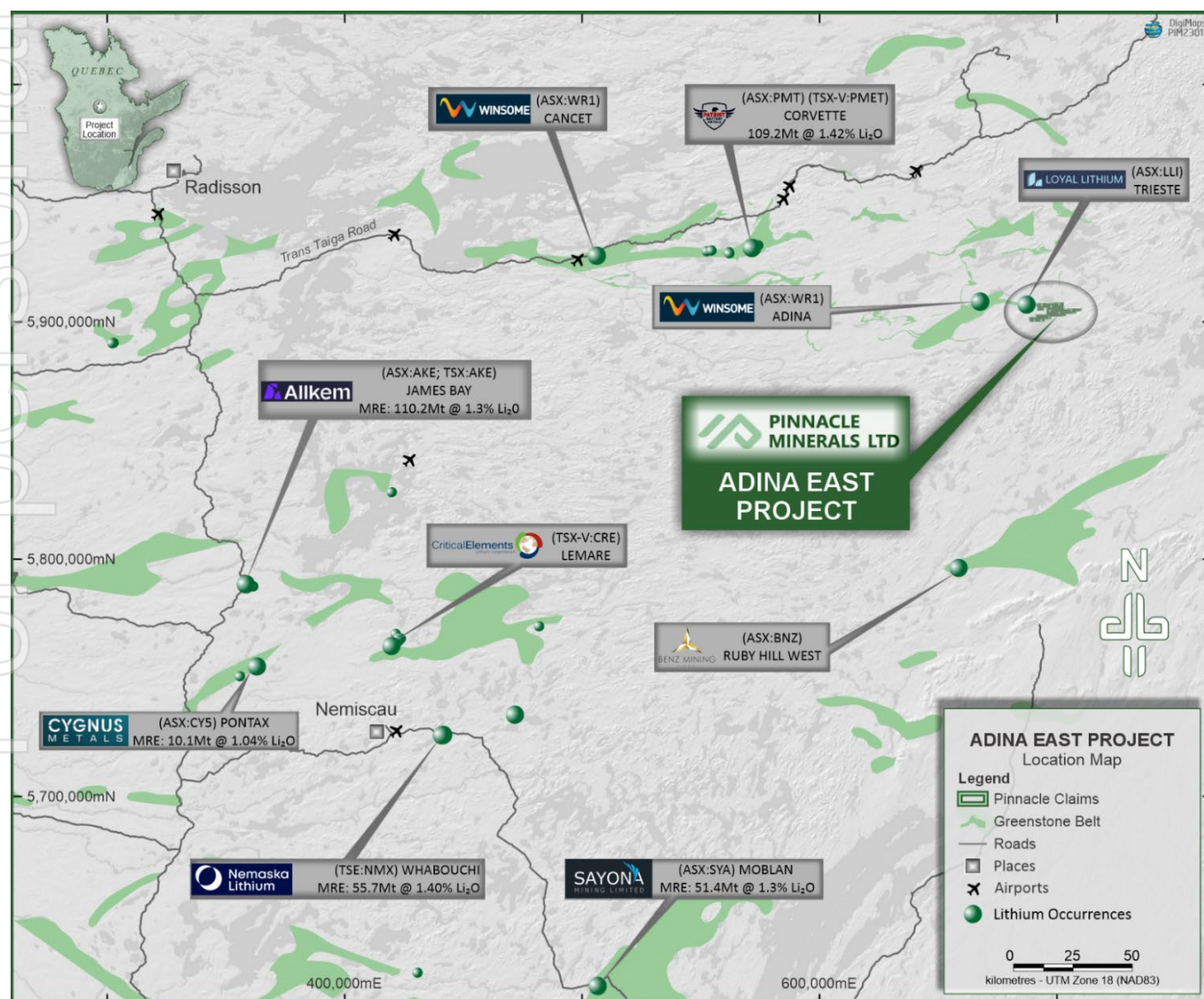


Figure 1: James Bay Province Highlighting Adina East Project Location.

The Adina East Project

The Adina East Project is located in Quebec's James Bay region (Figure 1) with a total of 147 claims encompassing 72.7km² (7,274.47 ha) adjacent to an interpreted extension of the Trieste greenstone belt (Figure 2). Located within Category-III lands, the Adina East Project does not carry any restrictions relating to mining or exploration according to the James Bay Agreement.

The Project is adjacent to both Loyal Lithium's (ASX:LLI) Trieste project where spodumene bearing dykes were identified less than 6km from the boundary of the Project³ and, Winsome Resources Tilly Project where swarming pegmatites have been mapped⁴ and are interpreted to extend into the Adina East Project. The claims are readily accessible from Mirage Outfitters, 75km to the Northwest of the Project, allowing year-round access.

Multiple historically mapped pegmatites exist within the Project area. These pegmatites are located approximately 24 km along strike east in the same stratigraphic sequence and location that hosts the Winsome Resources' (WR1.ASX) Adina Lithium Project, which has recorded high-grade assay results of up to 4.19% Li₂O over 4.1m.⁵

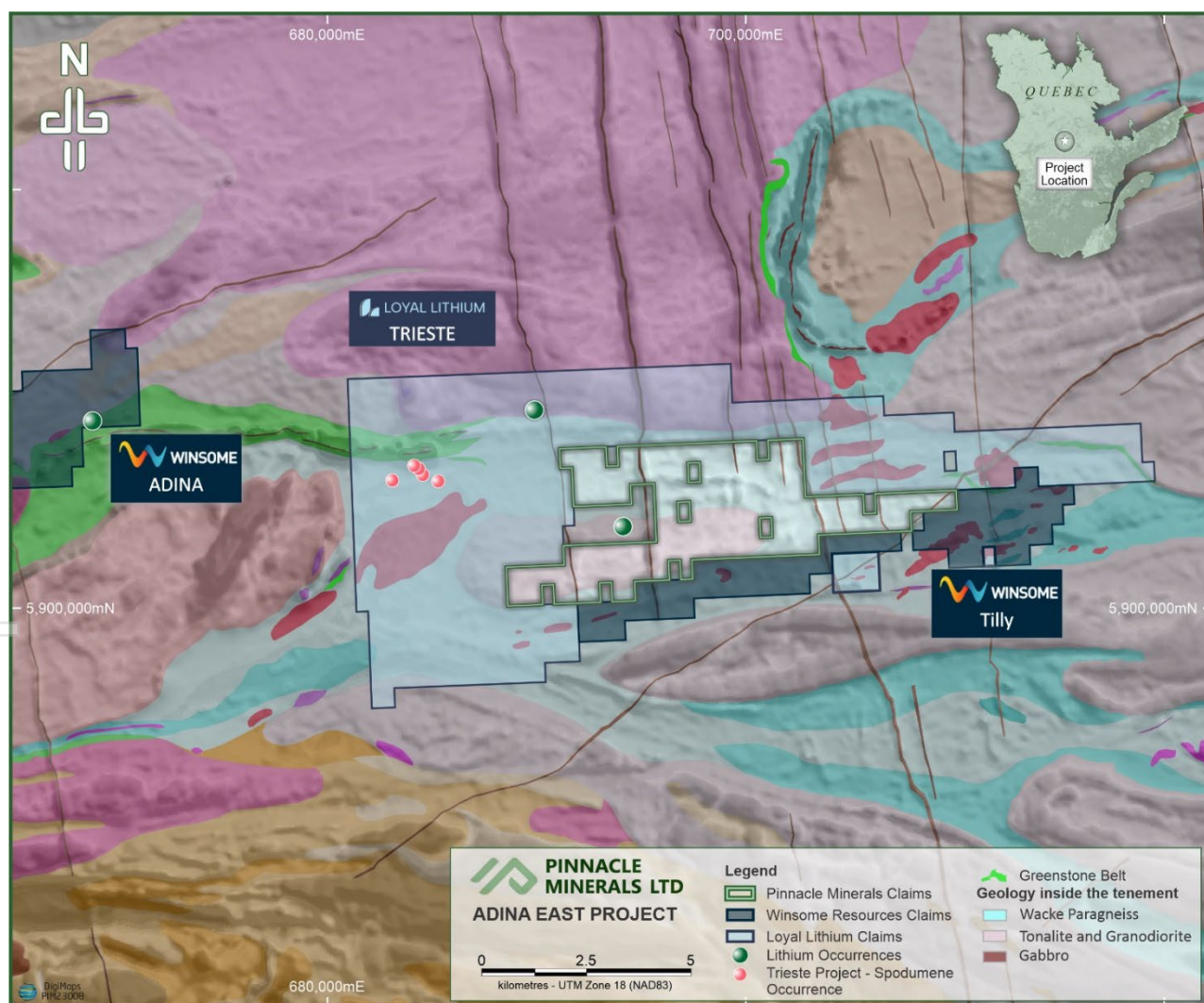


Figure 2: Adina East Claims Highlighting Bedrock Geology and Location Relative to other Key Projects

3 – Loyal Lithium Limited ASX announcement 16th August 2023

4 – Winsome Resources Limited ASX announcement 19th April 2023

5 – Winsome Resources Limited ASX announcement 14th February 2023

The Project claims are located within the La Grande sub province, in the east-central Archaean Superior Craton, Canada. The Superior Craton is a stable crustal block covering Quebec, Ontario, and southeast Manitoba in Canada.

Locally the stratigraphy consists of the Solomon River Formation which is Neoarchean in age and is described as a centimetric porphyroblastic wacke paragneiss $\pm$ cordierite $\pm$ staurolite $\pm$ garnet $\pm$ sillimanite.

Local mapping by Loyal Lithium has found that this rarely visited area also consists of remnant greenstone belt⁶ consisting of the Trieste Formation, which is Mesoarchean in age and is described as banded amphibolite assemblage derived from mafic to felsic lava and mylonite.

Key Acquisition Terms

The key terms of the proposed acquisition include:

Pinnacle has the right to acquire a 75% interest in the mining claims making up the Adina East Project from the Vendor for consideration comprising:

- 9,088,117 fully paid ordinary shares (Consideration Shares) which will be subject to the following escrow restrictions:
 - 50% of the Consideration Shares (4,544,058) will be subject to 6 months escrow from the date of issue; and
 - 50% of the Consideration Shares (4,544,059) will be subject to 12 months escrow from the date of issue,
- 7,629,637 options to acquire fully paid ordinary shares in the Company's capital, exercisable at \$0.15 AUD on or before the date that is three (3) years after the date of issue.

Pinnacle has granted the Vendor (or its nominee) the right to purchase 25% of all minerals extracted from the Project in consideration for US \$500,000.

Upon completion of the Acquisition, the Vendor and Pinnacle to form a joint venture on the following terms:

- Pinnacle appointed as manager of the joint venture for so long as it maintains a majority interest in the Adina East Project claims;
- Pinnacle undertakes to spend a minimum of CAD 1,000,000 on exploration at the Adina East Project within 24 months of completion of the Acquisition;
- The Vendor's interest to be free carried to the earlier of:
 - delineation of a 2012 JORC Mineral Resource Estimate of Inferred category or higher of at least 15M tonnes of lithium oxide with a minimum grade of 1% Li₂O or greater on the Adina East Project, or the economic equivalent of another mineral commodity calculated in accordance with section 50 of the 2012 edition of the JORC Code; and
 - completion of a Prefeasibility or Feasibility study on the Project.

The Acquisition is conditional upon:

- Pinnacle completing satisfactory due diligence investigations on the Project;
- Pinnacle obtaining all necessary shareholder and regulatory approvals to allow it to complete the Acquisition; and
- the parties executing formal documentation covering the terms of the Acquisition and proposed joint venture.

Pinnacle has received confirmation from ASX that it will not apply Listing Rules 11.1.2 and 11.1.3 to the Acquisition.

6 – Loyal Lithium - <https://loyallithium.com/trieste-lithium-project/>

The Vendor may appoint a nominee to the board of Pinnacle as a non-executive director subject to the Vendor (or its nominee) maintaining a 10% interest in Pinnacle. The right to appoint a nominee director shall lapse upon Pinnacle ceasing to own an interest in the Project.

Pinnacle to assume the obligations with respect to 75% of the LRC 2% gross overriding royalty (GOR) and a second 2% GOR, each over all minerals extracted from the Project.

Ms Kate Jensen, a related party of Mr. William Witham to receive a \$90,000 AUD facilitation fee for sourcing and negotiating the transaction.

Satellite and radar analysis

During initial due diligence and to rapidly progress target identification at the Project, the Company engaged remote imagery processing specialist, Dirt Exploration (and its principal, Dr Neil Pendock) to acquire, process and analyse Sentinel Multispectral data (Sentinel) and Synthetic Aperture Radar (SAR) data over the Adina East Project. The analysis identified multiple areas of interest with 60 discrete targets for follow-up field investigation.

Of particular interest are two clusters of targets, the primary being in the central southern part of the claim area and the secondary target on the eastern flank of the Project area. These areas have been elevated to priority targets for follow-up mapping and rock chipping during the proposed field trip in October 2023.

The priority southern target is on trend from mapped pegmatites (Tilly Pegmatites) in Winsome Resources (WR1.ASX) Tilly Project⁷ and where Winsome is planning to conduct target generation and subsequent field activities in the latter part of 2023.

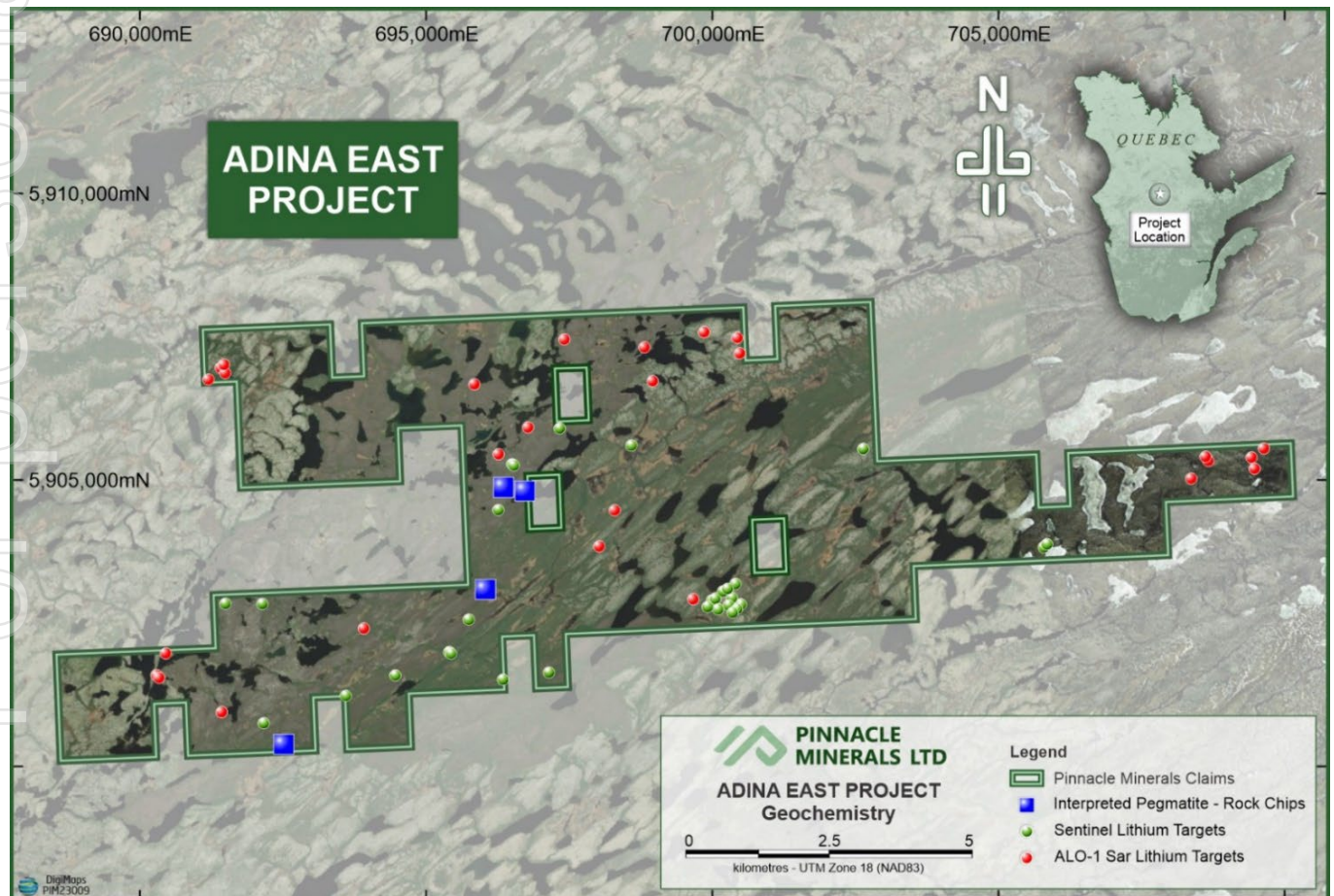


Figure 3: Adina East Project with identified pegmatite targets

7 – Winsome Resources Limited ASX announcement 19 April 2023.

Historical Pegmatite Outcrops

A review of historical exploration results on the Quebec Government database (SIGEOM) has identified four outcrops described as having Pegmatite Lithologies (Figure 3). These four targets are proximal to the SAR Targets identified by Dr. Neil Pendock and are to be “ground-truthed” in conjunction with the other targets.

Cautionary note:

The presence of pegmatite, pegmatite granite or visual spodumene does not equate to economic lithium mineralisation. The Company is encouraged by the geology and the remotely sensed data, but no quantitative or qualitative mineralisation assessment is possible at this stage. The Company will undertake fieldwork to test for potential lithium mineralisation, and laboratory analysis of rock chip samples is required to determine if the mapped pegmatites and pegmatite granites have the potential to host mineralisation.

Indicative Exploration Schedule

During the initial due diligence of the project the Company began desktop studies of the project and surrounding areas. The results of satellite and radar analysis have been utilised for target generation and will be followed up as a priority.

Pinnacles indicative exploration timeline for the Adina East Project is as follows:

- Sentinel Multispectral data (Sentinel) and Synthetic Aperture Radar (SAR) data review - Completed
- Review of Historical Data Sets (SIGEOM) – Ongoing
- Rock chip sampling/mapping – October / November 2023 - Pending
- Field mapping and rock chip sampling Q2/Q3 2024
- Diamond / RC drilling of lithium targets Q4 2024

Board Changes

Mr. William (Bill) Witham has transitioned to the role of Executive Chairman. Mr. Witham will join the executive team to provide technical expertise as the company diversifies into battery metals exploration. Bill's experience in the lithium exploration space is well regarded being the founding director and the executive and technical manager of Electrostate Limited. Electrostate developed the Yinnetharra Lithium Project in WA which was sold to Delta Lithium Limited (ASX:DLI) for a circa \$25M vendor consideration in September 2022. Delta Lithium has a market capitalisation of c.\$370M⁸. Mr. Witham was previously the Managing Director of Galaxy Resources (now Allkem ASX:AKE) prior to its' IPO in 2007. Allkem has gone on to be one of the world's largest lithium producers.

Key terms of the executive chair remuneration are summarised below:

- Executive remuneration is \$275,000 per annum (exclusive of superannuation)
- Subject to shareholder approval, Mr. Witham is to be issued with 3,000,000 options on the following terms:
 - 1,000,000 exercisable at \$0.16 expiring 4 years from the date of issue with 50% vesting after 12 months and 50% vesting after two years;
 - 1,000,000 exercisable at \$0.16 expiring after 3 years from date of issue vesting upon the Company's weighted average share price exceeding \$0.30 for 15 consecutive trading days; and
 - 1,000,000 exercisable at \$0.16 expiring after 3 years from date of issue vesting upon drill intercept or trench intercept of 10m at 1.0% Li₂O with spodumene present, or equivalent* intercept

The Company will seek shareholder approval for the issue of the options at the upcoming annual general meeting to be held on 30th November 2023.

⁸For example: 5m @ 2.0% Li₂O is equivalent, 8 – As at the 13th October (Share price of 69.5c)

Pinnacle Minerals Executive Chairman, Bill Witham, commented:

"The Adina East acquisition is a brilliant project with excellent exploration potential, located in the exciting James Bay Area. I am looking forward to working with the Pinnacle team to help drive the discovery effort as quickly as possible."

Pinnacle Minerals Managing Director, Nic Matich, commented:

"Having Bill transition into the executive team will significantly bolster the Company's lithium exploration capabilities. Along with Bill's technical capabilities, his extensive network and worldwide experience will allow us to pursue projects in multiple, underexplored jurisdictions."

Director and Employee Incentive Securities

As a result of a remuneration review for the 2023 calendar year, the PIM board has resolved to complete an issue of incentive options to key personnel and employees. The Company is proposing to issue 1,200,000 unlisted incentive options (**Incentive Options**) which will comprise of the following:

- 1,200,000 Director and Co-Sec Options, exercisable at \$0.16 and with an expiry date 3 years from the date of issue, issued to Directors and the Company Secretary. The company will seek shareholder approval for the Incentive Options proposed to be issued to the Directors at a proposed annual general meeting expected to be held in November 2023.

Pro forma capital structure

The Company's pro-forma capital structure based on the effect of the acquisition is as follows:

	Ordinary Shares	Options
Existing on Issue	36,375,200	33,037,634
Acquisition	9,088,117	7,629,637
Director and Co-Sec Options*		1,200,000
Director Options*		3,000,000
TOTAL	45,463,317	44,867,271

*Shareholder approval required

Pro forma balance sheet

The Company's pro-forma balance sheet based on the effect of the acquisition and offtake agreement is as follows (note that the transaction cost is estimated):

	Cash on hand (\$)
Existing Cash (as at 30 June 2023)	\$2,101,000 (5.8c/sh)
Cost of the transaction (Due diligence / Legal)	(\$35,000)
Facilitation Fee	(\$90,000)
Royalty Prepayment (at 64.5c USD / \$1 AUD)	\$775,000
Net Increase / (decrease)	\$650,000
TOTAL	\$2,751,000 (6.1c/sh)

Of note, is that the transaction does not result in a dilution of cash backing per share on a pro-forma basis.

Proposed Use of Funds

It is proposed that the Company's existing cash together with the additional \$USD500,000 from the offtake pre-payment to be provided by the Vendor (or its nominee) will be applied over the 12 months following completion of the Acquisition as follows:

Item	Amount (\$)	%
Existing cash reserves	\$2,101,000	73.05
Funds provided under the Offtake Pre-Payment	\$AUD 775,000	26.95
TOTAL	\$2,876,000	100.0
Costs of the Proposed Transaction (including Facilitation Fee)	\$125,000	4.35
Expenditure on the Existing Projects	\$1,000,000	34.77
E70/5348 Disruptor Assays (Kaolin / REE)	\$75,000	
E70/5348 Disruptor Metallurgy (Kaolin / REE)	\$75,000	
E70/5348 Disruptor Resource (Kaolin / REE)	\$50,000	
E70/6719 Tammin Drilling	\$150,000	
E70/6719 Tammin Assays	\$75,000	
EL6790 & EL6791 Ultrafine Soil Sampling Program	\$25,000	
EL6790 & EL6791 Geophysics (Magnetic & Gravity)	\$150,000	
EL6791 SA Drilling Program (Kaolin / REE)	\$200,000	
EL6791 SA Assays (Kaolin / REE)	\$75,000	
EL6791 Metallurgy (Kaolin / REE)	\$75,000	
EL6791 Project Studies	\$50,000	
Expenditure on the Adina East Project	\$800,000	27.82
Desktop geological review (Satellite imagery, Geophysics etc)	\$50,000	
Field Trip (mapping and rock chipping)	\$100,000	
Drill program planning	\$50,000	
Fly geophysics (Magnetics and Gravity)	\$100,000	
Drill program (pending successful mapping)	\$500,000	
Working capital and corporate administration	\$951,000	33.07
TOTAL	\$2,876,000	100.0

Rationale for the Acquisition

The Company notes that the variance between the actual versus proposed exploration expenditure budgeted in its IPO prospectus dated 31 January 2022 relates largely to timing of actual spend (given the exploration budget contemplates a two-year period and the Company listed in March 2022). Additionally, the variance is attributable to the Company's decisions with respect to re-allocation of funds as a result of exploration and broader market conditions involving the Bills Middle Prospect (refer to the Company's announcement of 31 March 2023). In the interests of preserving shareholder funds, the Company re-allocated expenditure towards exploration of its other projects and the review of new opportunities in the resources space, which led to the opportunity to acquire the Adina East Project.

Pinnacle considers the Adina East Project to be attractive and complementary to the company's existing projects for the following reasons:

- the Adina East Project is highly prospective for lithium mineralisation;
- acquiring the Adina East Project will provide the Company with a more diverse range of assets, which the Company expects to enhance the appeal of the Company to a more diversified range of investors; and
- significant value is being attributed to assets prospective for critical minerals given the current investment thematic focused towards 'future commodities' and the Adina East Project will provide an opportunity for current and future shareholders of Pinnacle to gain exposure to this.

The Company considers that the Acquisition represents an opportunity to acquire complementary mineral exploration assets that are consistent with the objectives of the Company. The Company will continue to progress its business model consisting of the exploration and development of mineral resource projects that have the potential to build value for its shareholders.

The Company intends to continue to explore its existing projects consistent with the disclosures provided in the IPO prospectus whilst undertaking initial exploration work on the Adina East Project.

This announcement has been authorised for release by the Board of Pinnacle Minerals Ltd.

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About Pinnacle Minerals

Pinnacle Minerals Ltd (ASX: PIM) is an ASX listed technology minerals company focused on delivering shareholder value via the systematic exploration and development of its portfolio of battery and technology metals projects in Canada, Western Australia and South Australia. Pinnacle aims to deliver exploration success via systematic and geologically rigorous techniques. The Company's key focus is the "Adina East Project" in James Bay, Quebec which is proximal to the world class Adina Lithium Project (Winsome Resources: WR1.ASX) and adjacent to the Trieste Lithium Project (Loyal Lithium: LLI.ASX) and the Tilly Lithium Project (WR1.ASX). The Company's other exploration assets in Australia are prospective for Rare Earth Elements, Mineral Sands and Kaolin.

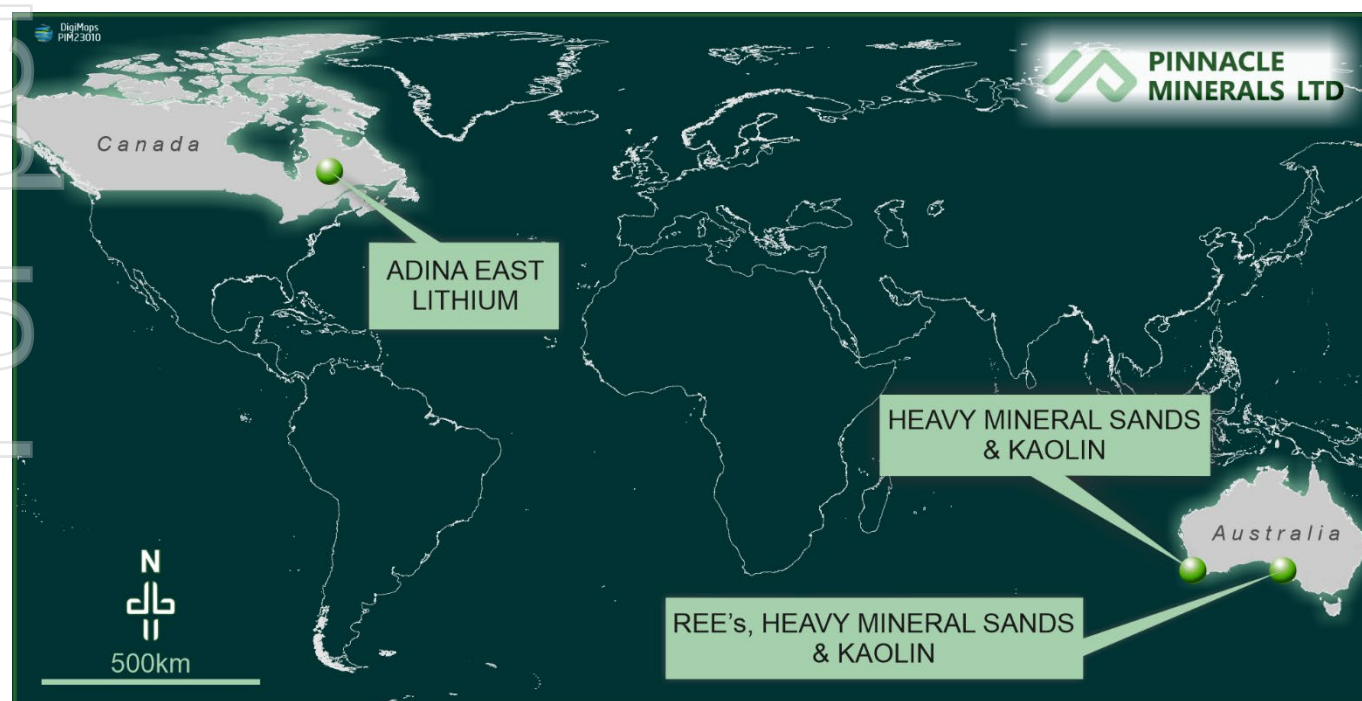


Figure 4: Pinnacle Minerals Projects' Location Map

Forward Looking Statements

This announcement contains 'forward-looking information' that is based on the Company's expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the Company's business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as 'outlook', 'anticipate', 'project', 'target', 'potential', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve' and similar expressions. Persons reading this announcement are cautioned that such statements are only predictions, and that the Company's actual future results or performance may be materially different. Forward looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance, or achievements to be materially different from those expressed or implied by such forward-looking information.

Competent person statement

The information in this announcement that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by William Witham, a Competent Person who is a Member of The Australian Institute of Geoscientists (AIG). William Witham is a director of Pinnacle Minerals Ltd. William Witham has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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'. William Witham consents to the inclusion in the presentation of the matters based on his information in the form and context in which it appears.

Appendix 1 JORC Tables

Section 1 Historical Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	- Nature and quality of sampling (e.g., cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. - Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. - Aspects of the determination of mineralisation that are Material to the Public Report. - In cases where 'industry standard' work has been done this would be relatively simple (e.g., 'reverse circulation drilling was used to obtain 1m 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 (e.g., submarine nodules) may warrant disclosure of detailed information.	- No sampling has been completed by Pinnacle Minerals. - Dirt Exploration interpreted pegmatitic rocks and trends from the Sentinel-2 and Also-1 SAR data products. - Eight spectral bands of Sentinel-2 VNIR imagery have 10 m spatial resolution, and two bands of SWIR have 20 m resolution. The Sentinel-2 scene was collected on 2 June 2023. - Rock assay data referred to in the release is available on the Sigeom website. Note, the rocks represent reconnaissance geochemistry samples and are not part of considered lithium exploration. - Pinnacle will complete reconnaissance work to verify the interpretation presented in this release.
Drilling techniques	Drill type (e.g., core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g., 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.).	No drilling completed
Drill sample recovery	- Method of recording and assessing core and chip sample recoveries and results assessed. - Measures taken to maximise sample recovery and ensure representative nature of the samples. - Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	No drilling completed
Logging	- Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. - Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. - The total length and percentage of the relevant intersections logged.	No drilling completed
Sub-sampling techniques and	- 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	No drilling completed

Criteria	JORC Code explanation	Commentary
<i>sample preparation</i>	<i>whether sampled wet or dry.</i> <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> <i>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.</i> <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	
<i>Quality of assay data and laboratory tests</i>	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>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.</i> <i>Nature of quality control procedures adopted (e.g., standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e., lack of bias) and precision have been established.</i>	- No assay or drilling data being reported - No new geophysical or geological data has been collected by Pinnacle
<i>Verification of sampling and assaying</i>	<i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i>	All results were reviewed by the Competent Person
<i>Location of data points</i>	<i>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.</i> <i>Specification of the grid system used.</i> <i>Quality and adequacy of topographic control.</i>	The grid system used at the Adina East Project is UTM NAD83 (Zone 18)
<i>Data spacing and distribution</i>	<i>Data spacing for reporting of Exploration Results.</i> <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> <i>Whether sample compositing has been applied.</i>	No drilling completed
<i>Orientation of data in relation to geological structure</i>	<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>	No drilling completed
<i>Sample security</i>	<i>The measures taken to ensure sample security.</i>	No drilling completed
<i>Audits or reviews</i>	<i>The results of any audits or reviews of sampling techniques and data.</i>	No audits conducted

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

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.	
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	- Limited historical work has been completed within some claims, with no exploration targeting lithium mineralisation. - Publicly available geological and geophysical datasets were sourced from MERN via SIGEOM
Geology	Deposit type, geological setting and style of mineralisation.	- The claims are located within the La Grande sub province, in the east-central Archaean Superior Craton, Canada. The Superior Craton is a stable crustal block covering Quebec, Ontario, and southeast Manitoba in Canada. - Locally the stratigraphy consists of the Solomon River Formation which is Neoarchean in age and is described as a Centimetric porphyroblastic wacke paragneiss $\pm$ cordierite $\pm$ staurolite $\pm$ garnet $\pm$ sillimanite.
Drill hole Information	- A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: - easting and northing of the drill hole collar - elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar - dip and azimuth of the hole - down hole length and interception depth - hole length. - If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	No drilling completed

Criteria	JORC Code explanation	Commentary
Data aggregation methods	- In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g., 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.	No drilling completed
Relationship between mineralisation widths and intercept lengths	- These relationships are particularly important in the reporting of Exploration Results. - If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. - If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g., 'down hole length, true width not known').	No mineralised widths and intercept lengths have been reported.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	Figures and plans are displayed in the main text of the Release
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.	No assay data being reported
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	- All information has been provided as available - To the Company's knowledge, no material exploration data or information has been omitted from this release - The Company continues to complete a thorough geological review of all available data as part of the Company's due diligence
Further work	- The nature and scale of planned further work (e.g., 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.	- Pinnacle's initial exploration program will include target definition and planned field mapping and sampling - Drilling will subsequently be completed on any key targets identified from the mapping and sampling - Refer to the main body of the release for further information regarding diagrams