



ASX Announcement | 30 October 2023

September 2023 Quarterly Activities Report

HIGHLIGHTS

- PAM set the foundations for near term cash flow in SE Asia with the IRPC MOU and long term growth in Chile by securing the Tama Atacama Lithium Project.
- MOU with Thai listed IRPC Public Company Limited ("IRPC", SET: IRPC), the US\$1.4B integrated petrochemical and refinery flagship of PTT Public Company Limited ("PTT", SET: PTT), itself a US\$30B energy group, 51% held by the Thai Govt. The MOU will evaluate mining in southern Thailand to produce Li_2O concentrates, conversion to LCE in IRPC's chemical precinct in Rayong, and to consider Cathode Active Material (CAM) manufacturing opportunities at a later date.
- PAM secured the Tama Atacama Lithium Project, comprising binding MOUs to acquire a suite of highly prospective lithium (Li) brine and clay projects in northern Chile extending over 290km north to south and covering ~ 1600km². The Project area contains significant lithium values and by-product/pathfinders for both Li in Brine in the northern prospects and Li in Clay in the southern prospects. A total 57 of 185 surface samples, primarily from the Pink Li in brine prospect, averaged 702ppm Li and ranged up to 2200ppm Li based on a 250ppm Li cutoff.
- PAM increased its Tama Atacama application area by 200km² at the Pink Prospect, securing a preeminent position on a suite of salars which are highly prospective for Li in brines and which are supported by very high Li in surface samples.
- PAM reviewed historic seismic investigations focused on the Pink Prospect, identifying a target zone of basin sediments from about 250-600m in depth.
- PAM reviewed historic groundwater investigations focused on the Pink, Pozon and Dolores South and Dolores North Li in Brine Prospects, confirming that a saline groundwater zone underlying 1,000km² of PAM's Li Brine prospects, corresponds with highly elevated Li in surface salt crusts and shallow saline aquifers.
- PAM conducted preliminary fieldwork at the Hilix Lithium Prospect, one of 7 prospects at PAM's Tama Atacama Lithium Project in northern Chile.
- Confirmatory Metallurgical testwork results for Reung Kiet Lithium Project show improved recoveries for concentrate derived from weathered mineralisation (71% Li_2O recovery at 3.11% con grade) and reaffirmed fresh material testwork (~80% Li_2O recovery at ~3.00% con grade).

PAN ASIA METALS LIMITED

Level 3, 77 Robinson Road, Robinson 77, Singapore, 068896
Level 23, 52 Thaniya Plaza, Silom Road, Bangrak, Bangkok, 10500
www.panasiametals.com

- Subsequent flotation test-work on 'ore-sort' products materially improved Li recoveries, with a post ore-sort feed grade of 0.92% Li₂O showing recoveries of 77% - 87% and producing Li₂O concentrates of 2.80% - 3.60% in PAM's 'Optimum Mining Scenario' and for the Modelled Mining Scenario, producing a 3.0% Li₂O concentrate with 78% Li recoveries. Testwork continues.
- PAM announced an Exploration Target Update for Bang I Tum, increasing the Exploration Target by ~80-100% to 16-25Mt @ 0.40-0.70% Li₂O. 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.
- During the Quarter PAM raised A\$1,265,000 (before costs) by way of a placement to new and existing sophisticated and institutional shareholders via the issue 5,060,000 fully paid ordinary shares at \$0.25 per share (Shares). The Company's Chairman and Managing Director, Paul Lock, subscribed \$500,000.

Pan Asia Metals Managing Director, Paul Lock, commenting on the Quarter said:

"Despite underlying negative investor sentiment for ASX resource stocks in general, the September Quarter has been an exceptional one for Pan Asia Metals. On the 31st of July, PAM announced that it had entered into an MOU with Thai listed IRPC, a cooperation agreement between the parties for the evaluation of developing linked components of the lithium-ion battery supply chain in Thailand, to produce Li₂O concentrates at Reung Kiet, convert to LCE in IRPC's chemical precinct in Rayong, and to consider Cathode Active Material (CAM) manufacturing opportunities as a stretch target. Importantly, IRPC, with a market capitalisation of ~US\$1.4 billion, is ~45% held by PTT, with a market capitalisation of ~US\$30 billion and 51% held by Thailand's Ministry of Finance. PTT is one of the largest listed companies in Thailand and Southeast Asia, and has announced that it will invest ~US\$2.75 billion into electrification. With PTT's joint ventures with Contemporary Amperex Technology Co. Limited, Gotion High-tech Co Limited and Foxconn Technology Co. Limited, PAM is keeping good company. The IRPC MOU compliments PAM's Reung Kiet Lithium Project, which is progressing very well.

PAM also announced that it had secured the Tama Atacama Lithium Project, one of the most strategically placed groupings of lithium brine prospects in South America. The project has extraordinarily high surface lithium assays, with 57 of 185 surface samples, primarily from the Pink Li in Brine Prospect, averaging 702ppm Li and up to 2200ppm Li, based on a >250ppm Li cutoff. Tama Atacama is strategically unique as it is at 800-1100m altitude - Salar de Atacama is at ~2300m, Salar de Maricunga at ~3,300m and a large portion of the peer group is at 3500-4500m altitude. PAM will have simpler access and operations and higher evaporation rates. Further, the project has all required transport and energy infrastructure, is located 40-60km from the coast and 75km from

Iquique, a coastal city with a population of 200,000, a deep water bulk and container port, and daily flights to Santiago. The project's positioning, i.e. its altitude and coastal location, with a large portion of the project area abutting large tracts of historic and current nitrate and other mining, means that the permitting process should be simpler.

We have received questions about the relationship between PAM's strategy in SE Asia and Tama Atacama in Chile. The strategy is coherent. First, we see our initiatives in SE Asia as our pathway to early cash flow, and the relationships PAM is building with IRPC and VinES, and in turn their relationships, place PAM well to achieve this. We see Tama Atacama as our pathway to future growth and scale, Tama Atacama has a large footprint and a lot of potential based on historic activities and the very high Li in surface assays. We have received interest from our current MOU partners as well as other parties in the Lithium supply chain - which is encouraging.

I opened this Quarter's statement with a comment about underlying investor sentiment on the ASX. We see a mismatch with the fundamentals in the global EV market and we remain positive that the opportunity for well placed companies like PAM is great. When one looks at EV sales, one can see that growth is exponential, which ultimately translates to demand for lithium and other battery metals. It was recently reported that the crucial tipping point to mass EV adoption, which is 5% EV sales to total auto sales, had been crossed in 23 countries, that the US has just passed the 1 million EV sales/year mark, and that the 2030 EV market is expected to be a \$950 billion market. Further, although there is a general view that LCE prices are low, we suggest that they are strong when one sets aside the 2022 price bubble - which many agree was unsustainable. When we remove the bubble from the price chart we see that current LCE prices are at higher levels than those achieved pre 2022. This is why at PAM, we remain robustly optimistic about the future of lithium and the future of PAM.

Battery and critical metals explorer and developer Pan Asia Metals Limited (ASX: PAM) ('PAM' or 'the Company') is pleased to provide this Quarterly Activities Report, summarising activities for the Quarter ending 30 September 2023 (Quarter).

STRATEGY IN BRIEF

PAM's MOUs with IRPC in Thailand and VinES in Vietnam are proving beneficial, setting PAM on a course for near term cash flow. Reung Kiet is progressing very well, PAM and IRPC are collaborating on a number of fronts, including with Government on ML processes, location of a chemical plant, and Chinese concentrate producers and LCE processors on best practice for LCE production from mica style lithium ores. PAM's MOU with VinES has helped open dialogues with a range of supply chain participants. The Pre-Feasibility Study in near completion and negotiations on a definitive agreement are progressing well.

PAM's Tama Atacama Lithium Project in Chile is positioning PAM for longer term growth. The scale of the Tama Atacama sets the project apart from the peer group, being one of the largest and most strategic holdings in South America. While PAM's initiatives in SE Asia position PAM for near term cash flow, Tama Atacama has the potential to provide scale and long-term growth. Tama Atacama adheres to PAM's requirement for highly prospective projects which are easily accessible, close to all key infrastructure, with ample water supply, and which are complementary to PAM's midstream lithium chemical processing aspirations in Southeast Asia.

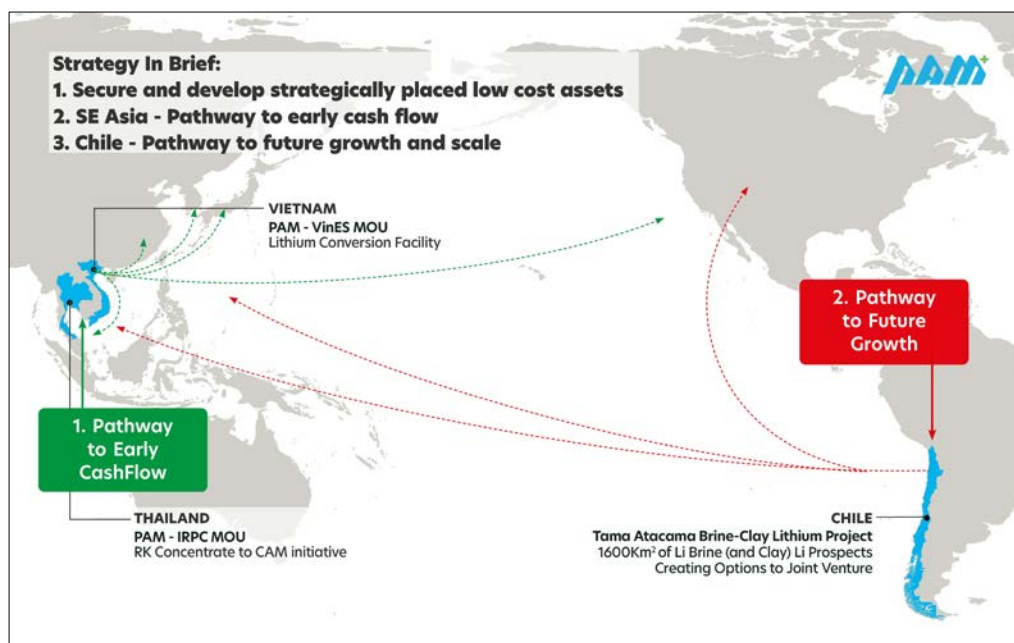


Figure 1. Strategy in Brief.

QUARTERLY ACTIVITY

PAM signs MOU with IRPC to develop a lithium-ion supply chain in Thailand

During the Quarter PAM announced that it had entered into a non-binding Memorandum of Understanding (MOU) with Stock Exchange of Thailand (SET) listed IRPC (SET: IRPC, Market Cap ~US\$1.4B), an integrated petrochemical and refinery flagship of PTT (SET: PTT, Market Cap ~US\$30B), one of Thailand's largest listed companies on the Stock Exchange of Thailand ("SET"). PTT subsidiaries have joint venture agreements with LIB and EV supply chain participants CATL, Gotion and Foxconn. See PAM's ASX announcement dated 31 July 2023 and titled '*Pan Asia Metals and IRPC sign MOU To develop a lithium-ion supply chain in Thailand and lead Asia as a regional EV manufacturing hub*'.

The MOU is a cooperation agreement between the parties for the evaluation of developing linked components of the lithium-ion battery supply chain in Thailand:

- A lithium mining operation in southern Thailand to produce lithium oxide concentrate;
- A lithium conversion facility to be located in IRPC's Industrial Zone in Rayong Province, Thailand, to produce Li_2CO_3 or LiOH chemicals; and
- A Cathode Active Material (CAM) facility also to be in IRPC's Industrial Zone, to produce Cathode Active Materials, potentially with a technology knowledge partner.

IRPC PCL is ~45% held by PTT which is in-turn 51% held by Thailand's Ministry of Finance. PTT is one of the largest listed companies in Thailand and Southeast Asia. It was recently reported that PTT is to invest ~US\$2.75B into electrification.

Through its joint venture electric vehicle (EV) unit, Horizon Plus, formed with Taiwan's Foxconn, PTT is gearing up to produce its first EVs in 2024. It was reported that PTT is investing ~US\$1.0B into the project, with the bulk of the spend being on the EV assembly plant being constructed at Rojana Nongyai Industrial Park.

PTT has also reached an agreement with the world's largest battery manufacturer, CATL, to move into EV battery production, with the intention of making Thailand ASEAN's battery production hub.

PTT has also entered into a partnership with Chinese battery maker Gotion High-tech through Nuovo Plus, itself a JV between PTT's subsidiaries Arun Plus and Global Power Synergy, to collaborate on the design, development, manufacturing as well as the sales and export of battery modules and packs products.

Tata Atacama Brine-Clay Lithium Project

During the Quarter, PAM announced its entry into binding Memorandums of Understanding to acquire a suite of highly prospective lithium (Li) brine and Li clay projects in northern Chile, see PAM's ASX announcement dated 28 July 2023 and titled '*Tama-Atacama Brine-Clay Lithium Project - PAM Enters the South American Lithium Triangle*'.

Based on well-established geology and work completed to date, the Tata Atacama demonstrates strong potential for primarily Li in brine and secondary Li in clay targets which are hosted in the Pampa del Tamarugal basin in the northern part of the Atacama Desert. A total 57 of 185 surface samples primarily from the Pink Li in Brine Prospect, which are >250ppm Li, averaged 702ppm Li and ranged up to 2200ppm Li.

Tata Atacama sees PAM entering into a world-class district at an opportune time, securing projects that have the potential to be both large scale and low cost, with the project areas adhering to PAM's requirement for highly prospective projects which are easily accessible, close to all key infrastructure, with ample water supply. Tama-Atacama is complementary to PAM's midstream lithium chemical processing aspirations in Southeast Asia and, with the right lithium chemical processing partners, also in Chile.

The Project comprises seven prospects extending over 290km north to south and originally covering an area of approximately 1400km². PAM subsequently secured an additional ~200km² of concession application area at the Pink prospect, which is one of the 4 northern most lithium prospects covering a suite of salars which are highly prospective for lithium in brines supported by very high Li in surface samples. The additional application areas increased the total brine holdings to ~1,000km² and the area under MOU to 1,600km². See Figures 2 and 3 and PAM's ASX announcement dated 28 August 2023 and titled '*Pink Lithium Project - ~200km² Added to Project Area*'.



Figure 2. The Tama-Atacama Lithium Project, General location and geography.

The project is essentially split into two parts, with Li rich brine prospects in the Project's north and Li rich clay prospects in the Project's south. Located in the Pampa del Tamarugal depression, the entire project area has potential for underlying brines. See Figure 3.

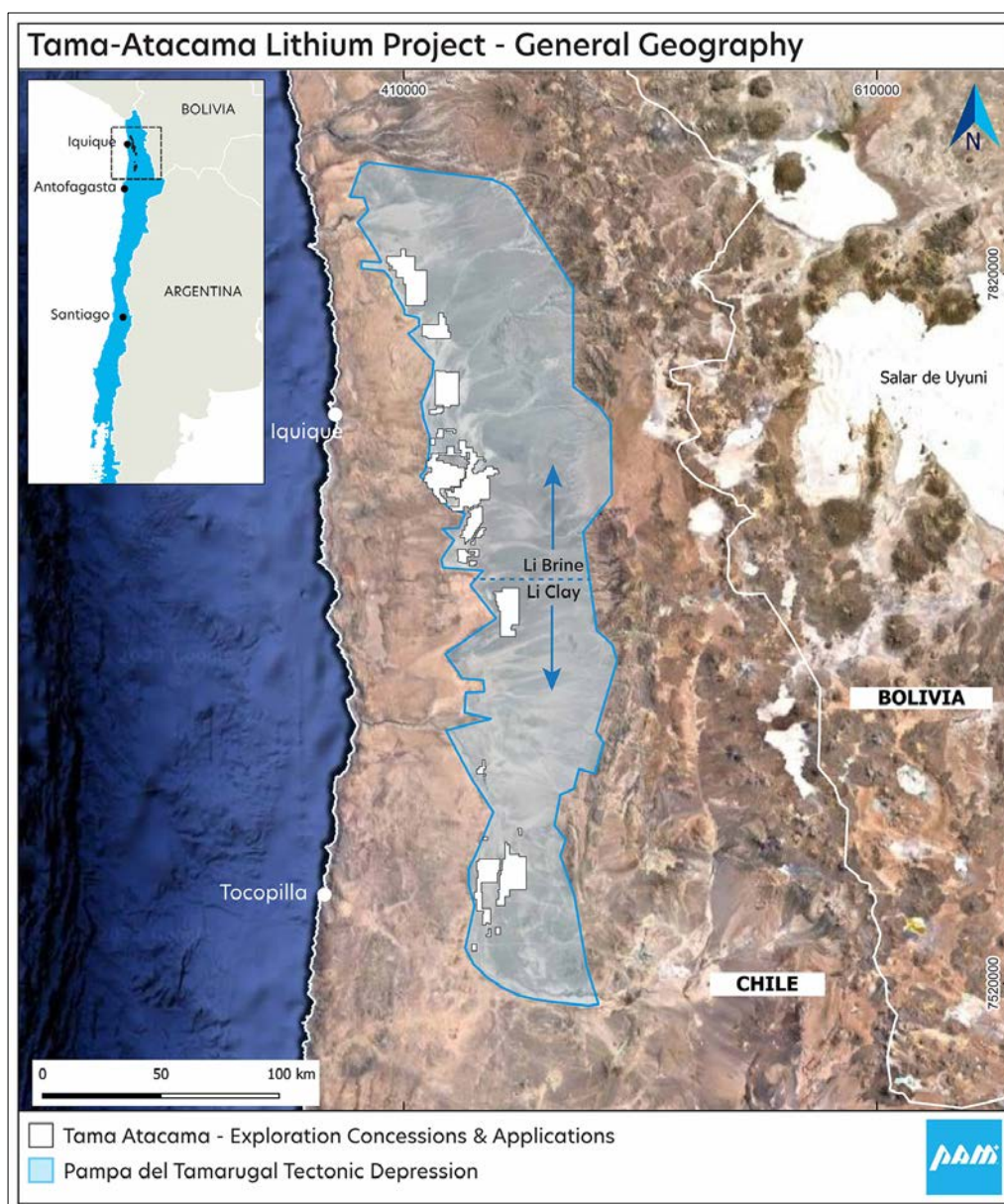


Figure 3. The Tama-Atacama Lithium Project, the Pampa del Tamarugal Depression.

Post the Tama Atacama announcement, PAM announced the results of a review of historic seismic and groundwater investigations. The groundwater investigations were focused on the Pink, Pozon and Dolores South and Dolores North Li in Brine Prospects, and confirmed that saline groundwater zones corresponded with highly elevated Li in surface salt crusts, indicating shallow saline aquifers. See Figure 4 and PAM's ASX announcement dated 18 September 2023 and titled '*Tama Atacama Lithium - Solid Seismic Data Interpretations*'.

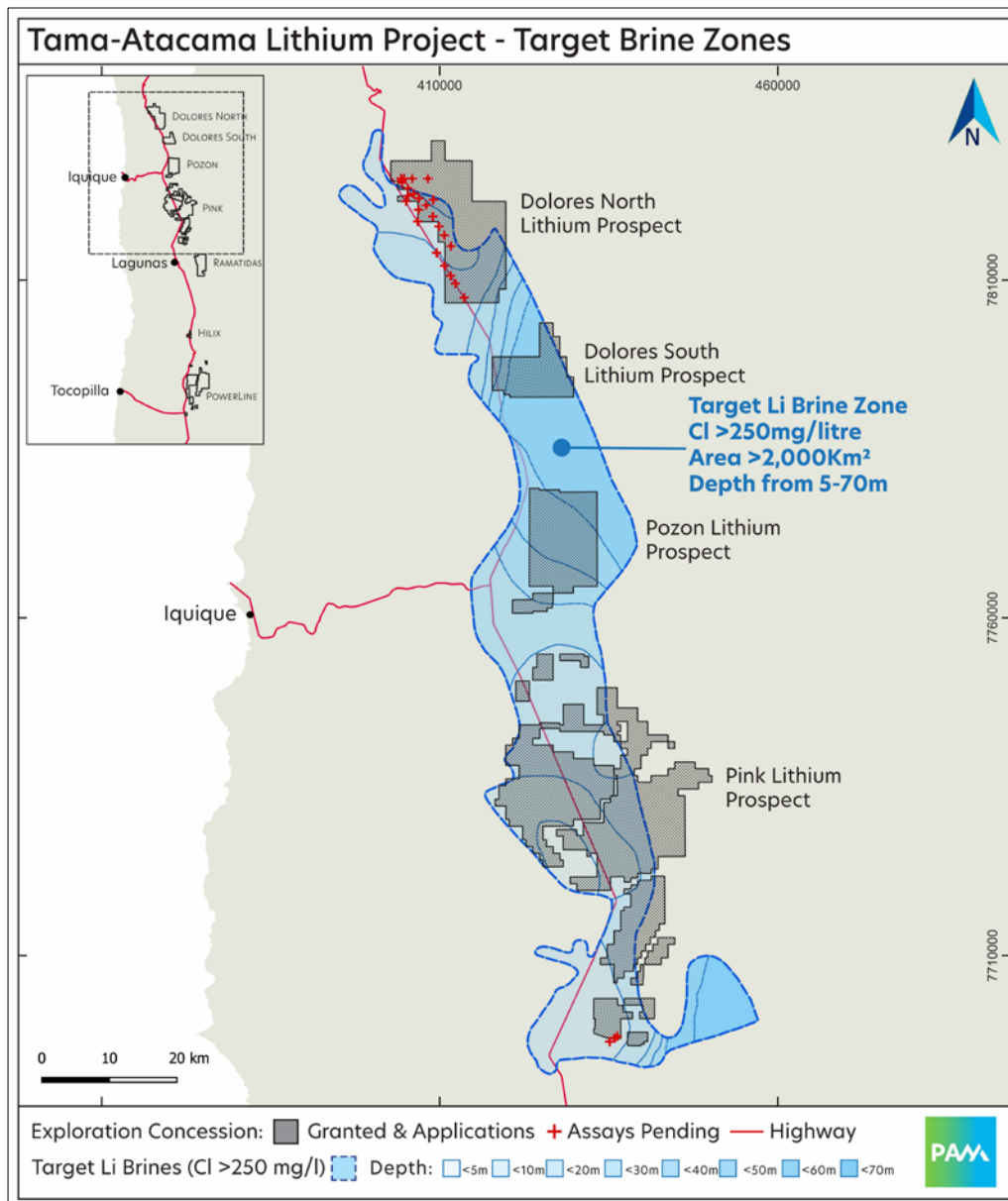


Figure 4. PAM's Northern Li Prospects – Aquifer with Elevated Chlorine, a proxy for Brine.

PAM also announced results from seismic investigations focused on a historic seismic line which crossed between the southern end of Salar de Pintados and the adjoining Sara de Bellavista. In essence, this is the thinnest section of both salars, a pinch point so to speak, but still identified a target zone of basin sediments from about 250-600m in depth. See Figures 5 and 6, and PAM's ASX announcement dated 18 September 2023 and titled '*Tama Atacama Lithium – Solid Seismic Data Interpretations*'.

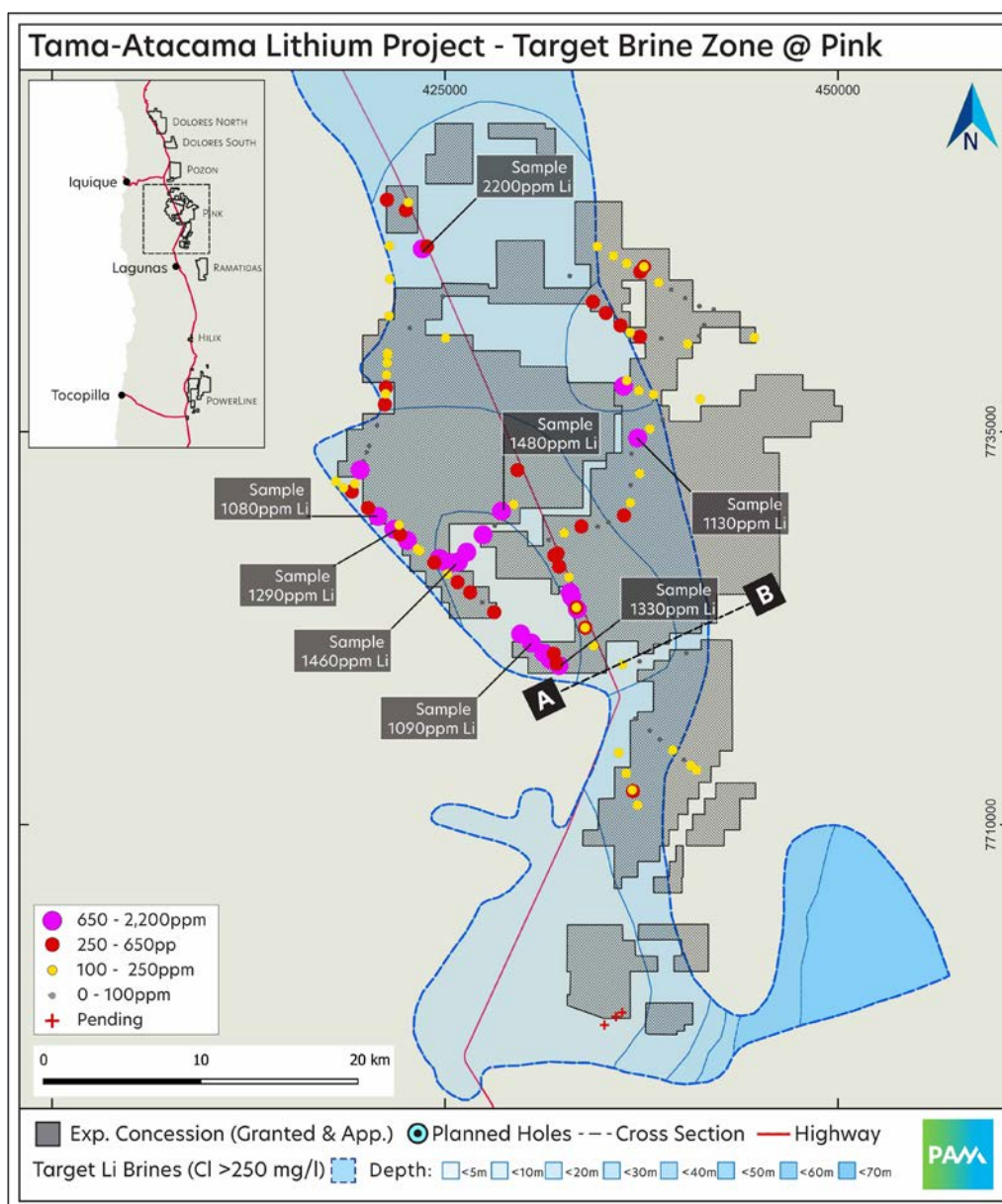


Figure 5. PAM's Northern Li Prospects - Aquifer with Elevated Chlorine, a proxy for Brine.

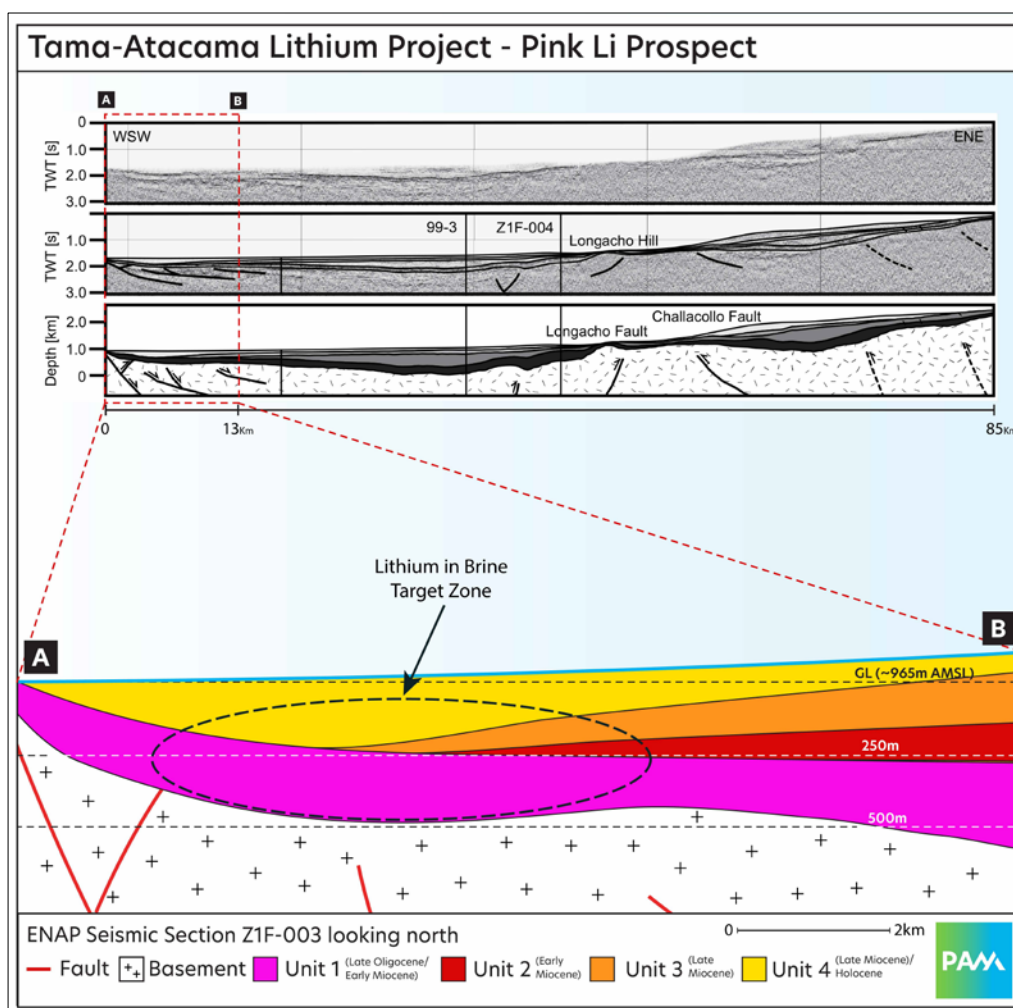


Figure 6. Pink Lithium Prospect - Seismic Data and Interpretations

Post the Tama Atacama announcement, PAM announced that it had begun field work at the Hilix Lithium Prospect and was in discussions with drilling contractors. Although PAM was aiming for a September start for drilling, it is awaiting results of the 30 surface samples collected. See PAM's ASX announcement dated 21 August 2023 and titled 'Hilix Lithium Project - Fieldwork Begins'.

RK Lithium Prospect -Met test-work and Flotation test-work results

During the Quarter PAM released results of confirmatory flotation testwork on two separate composite samples from RK Lithium Prospect comprised of fresh and weathered mineralisation. See PAM's ASX announcement dated 18 July 2023 and titled 'Additional Flotation Test-work Confirms and Improves Results'.

The metallurgical flotation test-work was conducted by Nagrom. It demonstrated that relatively high recoveries of lithium to concentrate are achievable utilising industry standard methods with both the fresh and weathered mineralisation undergoing similar comminution and beneficiation. The testwork results were a material improvement in Li_2O grade and recovery for concentrate derived from weathered mineralisation, showing 71% Li_2O recovery at 3.11% Li_2O grade. For the fresh material, the testwork showed 76% Li_2O recovery at 3.10% Li_2O grade and ~80% Li_2O recovery at ~2.95% Li_2O grade, reaffirming previous test-work results.

During the Quarter PAM released Flotation test-work results for flotation of lithium mica concentrates from 'ore-sort' product derived from the RK lithium prospect. See PAM's ASX announcement dated 21 August 2023 and titled '*RK Lithium Project - Exceptional Flotation Test-work Results*'.

Table 1. RKLP - RK Lithium Prospect - Ore Sorting test results

Sort sizes	Description	Product No.	Li_2O Grade (%)
-50mm, +25mm	Pegmatite	1	1.00
-25mm, +10mm	Pegmatite	2	0.85
-10mm fines	Pegmatite and siltstone	3	0.49
-50mm, +10mm	Siltstone/waste reject	4	0.22

The flotation test-work was conducted by Nagrom on three separate composite samples of 'ore-sort' products, materially improving Li recoveries. With an ore-sort feed grade of 0.92% Li_2O , recoveries of 77% - 87% were achieved and concentrate grades of 2.80% - 3.60% Li_2O were produced.

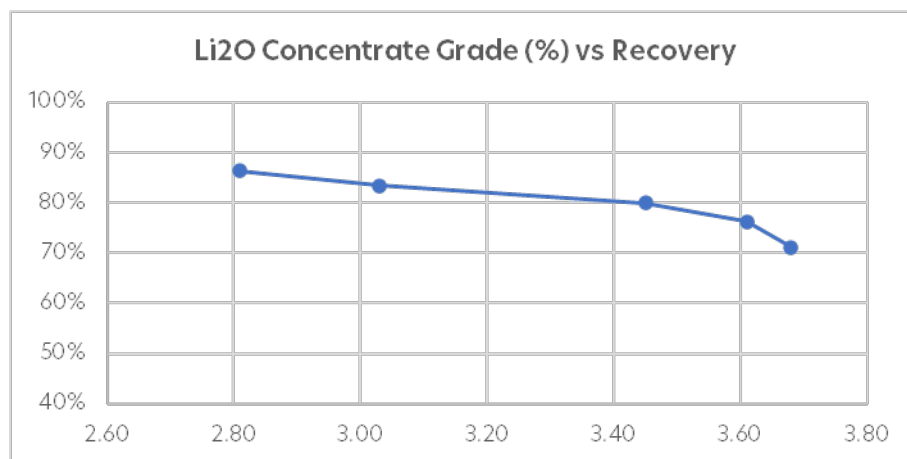
Three composite samples for the flotation testwork were formulated:

Table 2. RKLP - RK Lithium Prospect - Flotation test composite samples

Float Test No.	Scenario	Composite Description	Li_2O Feed Grade (%)
1	Optimum Mining Scenario	Products 1-3	0.92
2	Modelled Mining Scenario	Products 1-3 + 20% Product 4	0.78
3	Downside Mining Scenario	Products 1-3 + 40% Product 4	0.66

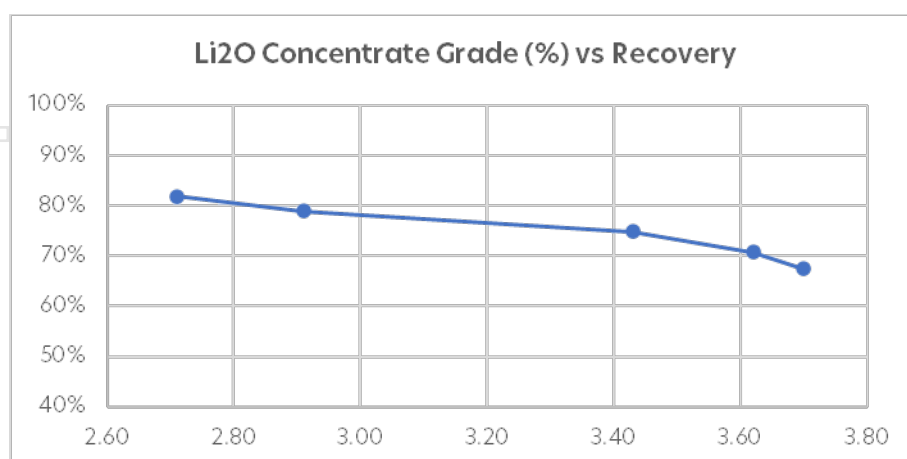
In the Optimum Mining Scenario, high Li recoveries of +80% were achieved into concentrates grading from 2.81-3.45% Li_2O , and 77% recoveries for a 3.60% Li_2O concentrate. The grade x recovery curve indicated potential for a concentrate grade 3.0% Li_2O at a recovery of approximately 84% Li_2O .

Figure 7 - Flotation Test #1 (Optimum Mining Scenario)



In the Modelled Mining Scenario, indicating relatively high Li recoveries of +75% into concentrates grading from 2.71-3.43% Li_2O . The grade x recovery indicates potential for a concentrate grade of 3.0% Li_2O at a recovery of approximately 78% Li_2O . The test sample contains 20% low grade siltstone and this is interpreted to represent the potential approximate ratio of mill feed over the life of the mine.

Figure 8 - Flotation Test #2 (Modelled Mining Scenario)



BT Lithium Prospect - Exploration Target Update

During the Quarter PAM announced an updated JORC compliant Exploration Target for the BT Lithium Prospect. The Exploration Target was increased to 16-25Mt @ 0.40-0.70% Li₂O and represented a ~80 to 100% increase in tonnage to the previous Exploration Target. See PAM's ASX announcement dated 10 July 2023, and titled '*Bang I Tum Lithium Prospect - Exploration Target Substantially Increased*'.

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

Table 3. RKLP - BT Lithium Prospect - Exploration Target, 10 July, 2023

	Million Tonnes	Li ₂ O %	Sn %	Ta ₂ O 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 updated Exploration Target considered 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. The updated Exploration Target is based on the current geological interpretation of mineralisation, geometry, geochemistry and geology. This was provided by 28 diamond drillholes with assay results for 7 of these holes, surface soil and rock-chip sampling and associated geological observations.

BT Lithium Prospect - Drilling

During the Quarter PAM released a drilling update for the BT Lithium Prospect, see PAM's ASX announcements dated 14 July 2023 and titled '*Bang I Tum Lithium Prospect - Drill Results are Delivering*'. This announcement related to assay results received for drill hole BTDD008-018 (see Table 4).

The drilling results continued to demonstrate higher grade potential and are aligned with, and support the updated Exploration Target. Tin and Tantalum results were also reported, complementing many Li intersections and representing a strong by-product opportunity. The drilling demonstrates good near surface grades associated within the dyke-vein swarm.

Table 4. RKLP - BT Lithium Prospect – Standout Drill Results for the Quarter

Hole ID	from (m)	to (m)	interval (m)	Li ₂ O (%)	Sn (%)	Ta ₂ O ₅ (ppm)
BTDD008	23.70	31.20	7.50	0.43	0.02	24
BTDD008	46.00	51.70	5.70	0.44	0.08	87
BTDD009	131.40	135.90	4.50	0.62	0.12	95
BTDD009	138.00	151.45	13.45	0.47	0.08	71
<i>Inc.</i>	<i>141.40</i>	<i>145.85</i>	<i>4.45</i>	<i>0.76</i>	<i>0.13</i>	<i>129</i>
BTDD010	67.10	86.60	19.50	0.66	0.05	87
<i>Inc.</i>	<i>68.00</i>	<i>81.00</i>	<i>14.00</i>	<i>0.86</i>	<i>0.07</i>	<i>104</i>
BTDD012	10.35	14.20	3.85	0.92	0.05	89
BTDD012	30.00	33.10	3.10	0.72	0.07	93
BTDD012	108.95	121.20	12.25	0.49	0.09	79
<i>Inc.</i>	<i>117.00</i>	<i>121.20</i>	<i>4.20</i>	<i>0.89</i>	<i>0.11</i>	<i>88</i>
BTDD015	39.10	44.70	5.60	0.84	0.08	161
BTDD015	67.10	73.60	6.50	0.55	0.09	131
BTDD017	2.20	9.55	7.35	0.84	0.05	120
BTDD018	25.15	28.05	2.90	1.07	0.08	127
BTDD018	40.40	47.00	6.60	0.79	0.05	88
<i>Inc.</i>	<i>40.40</i>	<i>42.45</i>	<i>2.05</i>	<i>1.20</i>	<i>0.10</i>	<i>126</i>

KT Lithium Project

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

WORK PLAN

PAM will continue diamond drilling at the BT Lithium Prospect with the aim of testing the Exploration Target and adjacent prospects, with the intention of estimating a Mineral Resource by late 2023 / early 2024. Assay results for the drilling will be reported as they become available. Metallurgical testwork is also planned for BT.

A Mineral Resource update for the RK Lithium Prospect is being finalised, which will allow for the definition of a pit shell and completion of pre-feasibility work. Metallurgical testwork is underway and a pre-feasibility study is planned for early 2024.

Drill site planning and authorisations as required are underway for the Tama Atacama Lithium Project in Chile.

PAM will be progressing the VinES and IRPC ventures.

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

STRATEGY

PAM's objective is to identify and develop battery and critical metals projects which have the potential to be situated in the lower third of the cost curve, are situated in low cost jurisdictions, are proximal to advanced industrial centres or emerging lithium chemical manufacturing centres, which have the potential to generate low to zero carbon footprints, as well as position the Company for downstream value adding opportunities.

Operating in Southeast Asia gives the Company access to modern industrial economies with globally competitive cost environments, and the fastest growing and most populous region on earth. Operating in Chile positions PAM to create a large long-term, low-cost supply of lithium which is complementary to PAM's midstream lithium chemical processing aspirations in Southeast Asia and, with the right lithium chemical processing partners, also in Chile.

PAM's primary objective is the development of the Reung Kiet Lithium Project (Reung Kiet) located in Southern Thailand. PAM is currently undertaking the necessary technical and economic studies required in anticipation of delivering a Pre-Feasibility Study for the production of lithium carbonate and/or lithium hydroxide. Complementing Reung Kiet, is PAM's Kata Thong Lithium Project, located 30km to the north, which is under application.

Further, PAM is pursuing additional value-adding opportunities for these projects, such as the production of Cathode Active Materials, through its MOU with IRPC, a cooperation agreement between the parties for the evaluation of developing linked components of the lithium-ion battery supply chain in Thailand, i.e. mining in southern Thailand to produce lithium oxide concentrate, a lithium conversion facility in IRPC's Industrial Zone located in the Rayong Province, Thailand, to produce Li_2CO_3 or LiOH chemicals; and a Cathode

Active Material (CAM) facility which is to be located in the same industrial zone. PAM has also entered into an MOU with VinES in Vietnam, a lithium-ion battery manufacture and subsidiary of VinFast, which is producing high end EVs. Under the MOU, PAM is currently conducting feasibility work for a lithium conversion facility which is to be located near the VinES battery plant and the VinES-Gotion joint venture LFP Cathode Active Material plant.

Given the growth forecasts for electric vehicles and the subsequent demand for lithium chemicals, PAM's strategy is simply to position itself in the right geography and with the right joint venture partners to enable PAM to play an important and material role in the electrochemical industry in Asia.

CORPORATE

During the Quarter PAM raised A\$1,265,000 (before costs) by way of a placement to new and existing sophisticated and institutional shareholders via the issue 5,060,000 fully paid ordinary shares at \$0.25 per share (Shares). See PAM's ASX announcement dated 3 August 2023, and titled '*PAM Placement, Chairman Support Endorses Strategy*'.

The Company's Chairman and Managing Director, Paul Lock, subscribed for \$500,000 with the issue of these Shares subject to Shareholder approval.

Finance

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

Cash at bank at the end of the Quarter was A\$161k (US\$104k). On 25 October 2023 PAM announced a Share Placement for A\$1,450,000. On 31 January 2023 PAM completed a \$4.5m placement, the Anadara Battery Transition Fund made an irrevocable commitment of A\$1.2m, PAM has received written correspondence that the fund intends to meet its commitment (see Note 2).

PAM's expenditure during the Quarter was as follows:

Item	US\$ ('000s)	A\$ ('000s)
Cash Balance at beginning of Quarter	363	545
Staff Costs	(96)	(144)
Administration and Corporate Costs	(487)	(728)
Property, Plant and Equip. Purchases	0	0
Exploration and Evaluation	(596)	(891)
Other	3	4
Proceeds from issue of Shares	502	777
Advance received for the issuance of Shares	395	612
Cost of raising capital	-	
FX Movements	20	(14)
Cash Balance at End of Quarter	104	161
Share Placement (25 October, 2023) (see Note1)	926	1,450
Funds committed by Anadara Battery Technology Fund and not yet received (see Note 2)	805	1,200
Total current funds and committed capital funding to the Company as at 30 June 2023	1,835	2,811

During the Quarter the Company made payments of US\$43k (A\$64k) to Directors of the Company towards their remuneration.

1. PAM's Managing Director, Paul Lock, committed A\$250,000 to the Placement. Subject to Shareholders' approval, this funding will be converted to PAM shares at the Placement price of A\$0.15/Share. This is in addition to A\$500,000 committed in the Placement dated 3 August 2023. Subject to Shareholders' approval, this funding will be converted to PAM shares at the then Placement price of A\$0.25/Share. There are no conditions attached to these commitments although repayment is expected should shareholders not approve the issue of shares to the Managing Director.
2. The \$4.5m placement (Placement) announced on the 31st of January, 2023, comprised three investors. Anadara Battery Transition Fund (ABTF) committed to a A\$1.2m investment and thereafter re-confirmed its commitment in writing to PAM on several occasions. ABTF's Investment Manager is Anadara Asset Management Pty Ltd, which

is a Corporate Authorised Representative of Viriathus Capital Pty Ltd (Viriathus). PAM engaged Viriathus on an exclusive basis in connection with the Placement and Viriathus was charged with coordinating the administration of the Placement including the receipt of funds, reconciliations, dealing arrangements and payment of expenses in a manner that ensured Viriathus complied with all applicable legislation. As part of Viriathus' administration of the Placement, it provided a standard letter of confirmation to ABTF in which ABTF agreed to be bound to the terms of the Placement, including its irrevocability, and to the extent applicable, AFMA's Master ECM Terms. The letter of confirmation also states that ABTF is not entitled to cancel, terminate or revoke its subscription.

EVENTS SUBSEQUENT TO QUARTER END

Subsequent to the Quarter end PAM announced the following:

1. Share Placement

Post Quarter end PAM announced a Trading Halt which related to a subsequent Share Placement of A\$1,450 and Proposed issue of 9,666,667 securities, see PAM's ASX announcement dated 25 October, 2023 and titled '*Share Placement*'.

Ends

Authorised by:

Board of Directors

TABLE 5 - SUMMARY OF ASX ANNOUNCEMENTS

Date	Price Sensitive	Title	Relevant Project(s)
10 Jul 2023	\$	Bang I Tum Lithium Prospect Exploration Target Update	RKLP
14 Jul 2023	\$	Bang I Tum Lithium Prospect Drill Results are Delivering	RKLP
18 Jul 2023	\$	RK Lithium Confirmatory Met Testwork Positive	RKLP
20 Jul 2023		Application for quotation of securities - PAM	
20 Jul 2023		Change of Director's Interest Notice	
20 Jul 2023		Change of Director's Interest Notice	
20 Jul 2023		Application for quotation of securities - PAM	
28 Jul 2023	\$	Tama-Atacama Brine-Clay Lithium Project	TALP
31 Jul 2023	\$	Pan Asia Metals and IRPC sign MOU	RKLP
01 Aug 2023	\$	Trading Halt	
03 Aug 2023	\$	PAM Placement, Chairman Support Endorses Strategy	
03 Aug 2023		Proposed issue of securities - PAM	
07 Aug 2023		Corporate Presentation	
16 Aug 2023		Application for quotation of securities - PAM	
18 Aug 2023	\$	RK Lithium, Exceptional Flotation Results	RKLP
21 Aug 2023	\$	Revised RK Lithium, Exceptional Flotation Results	RKLP
21 Aug 2023	\$	Hilix Lithium Project, Fieldwork Begins	TALP
28 Aug 2023	\$	Pink Lithium Project, 200km2 Added to Project Area	TALP
07 Sep 2023	\$	BT Lithium Prospect, Strong Li and Sn Results Continue	RKLP
13 Sep 2023		Half Yearly Report and Accounts	
18 Sep 2023	\$	Tama Atacama Lithium, Solid Seismic Data Interpretations	TAMA
23 Oct 2023	\$	Trading Halt	
<i>Announcements subsequent to Quarter end</i>			
25 Oct 2023	\$	Share Placement	
25 Oct 2023		Proposed issue of securities - PAM	

TABLE 6 - TENEMENT SCHEDULE AS AT JUNE 30, 2023

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

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

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

CORPORATE DIRECTORY

Board of Directors

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

Company Secretaries

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

Corporate Office

Level 23, 52 Thaniya Plaza,
Silom Road, Bangrak,
Bangkok, 10500, Thailand
Phone: +66 2238 1639
Email: contactus@panasiametals.com

Singapore Reg. Office

Level 6, 77 Robinson Road,
Robinson 77,
Singapore, 068896
Phone: +65 6538 0779

Australian Reg. Office

Level 9, MLC Centre,
19-29 Martin Place,
Sydney, NSW, 2000
Phone: +61 9232 5444

Stock Exchange

Australian Securities Exchange (PAM)

Solicitors

Ian B. Mitchell & Associates
Level 9, 19-29 Martin Place,
Sydney, NSW, 2000
Phone: +61 9232 5444

Auditors

PKF-CAP LLP
6 Shenton Way,
OUE Downtown 1, #38-01
Singapore 068809
Phone: +65 6500 9360

Accountants

Vistra Australia
Level 4, 100 Albert Road,
South Melbourne, Vic, 3205
Phone: +61 3 9692 7222

Bankers

DBS Bank Limited, Singapore
12 Marina Boulevard
Level 3 MBFC Tower 3
Singapore 018982

Westpac Banking Corp., Australia
Royal Exchange, Cnr Pitt & Bridge St
Sydney NSW 2000

Share Registry

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

ABOUT PAN ASIA METALS LIMITED (ASX:PAM)

Pan Asia Metals Limited is the only publicly traded battery 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](#).

For Investor Enquiries, reach out to:

Patrick Chang

Pan Asia Metals Limited
Investor Relations &
Business Development
patrick.chang@panasiametals.com

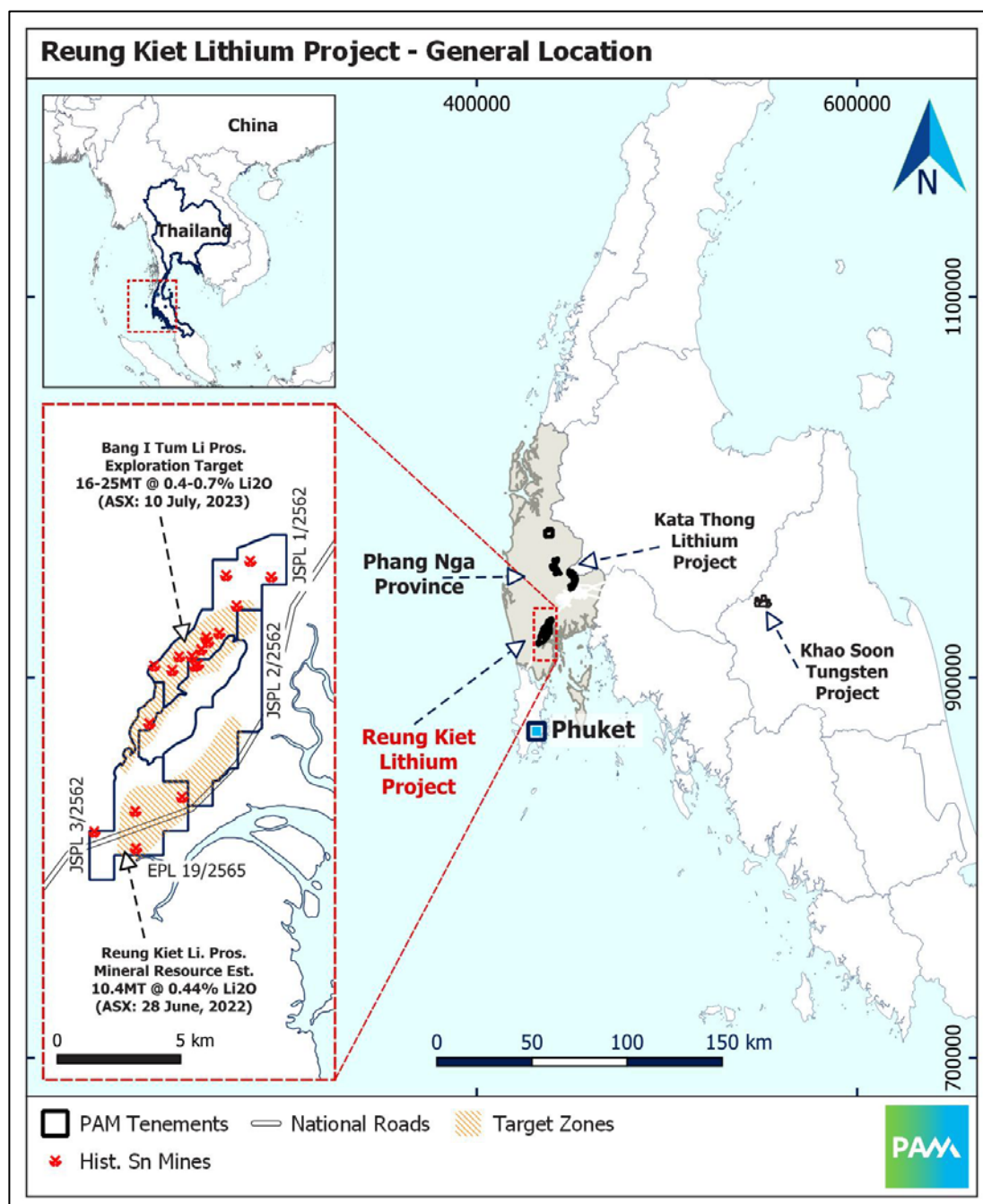
For Media Enquiries, reach out to:

Tish Koh

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

ABOUT THE REUNG KIET LITHIUM PROJECT

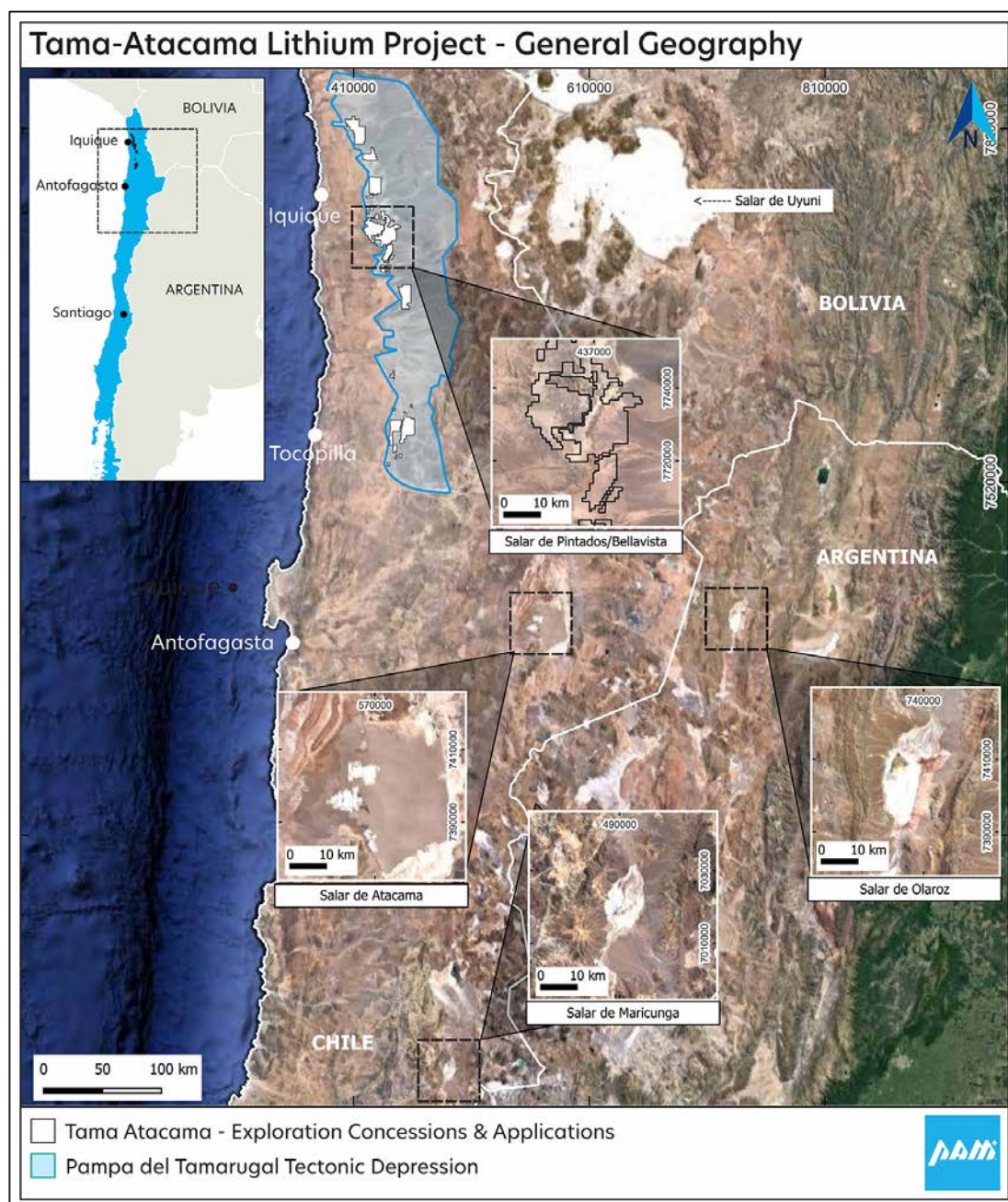
The Reung Kiet Lithium Project is a lepidolite style lithium project located about 70km north-east of Phuket in the Phang Nga Province in southern Thailand. Pan Asia holds a 100% interest in 3 contiguous Special Prospecting Licenses (SPL) and 1 Exclusive Prospecting License (EPL) covering about 40km².



Regional map identifying the location of the Reung Kiet Lithium Project

ABOUT THE TAMA ATACAMA LITHIUM PROJECT

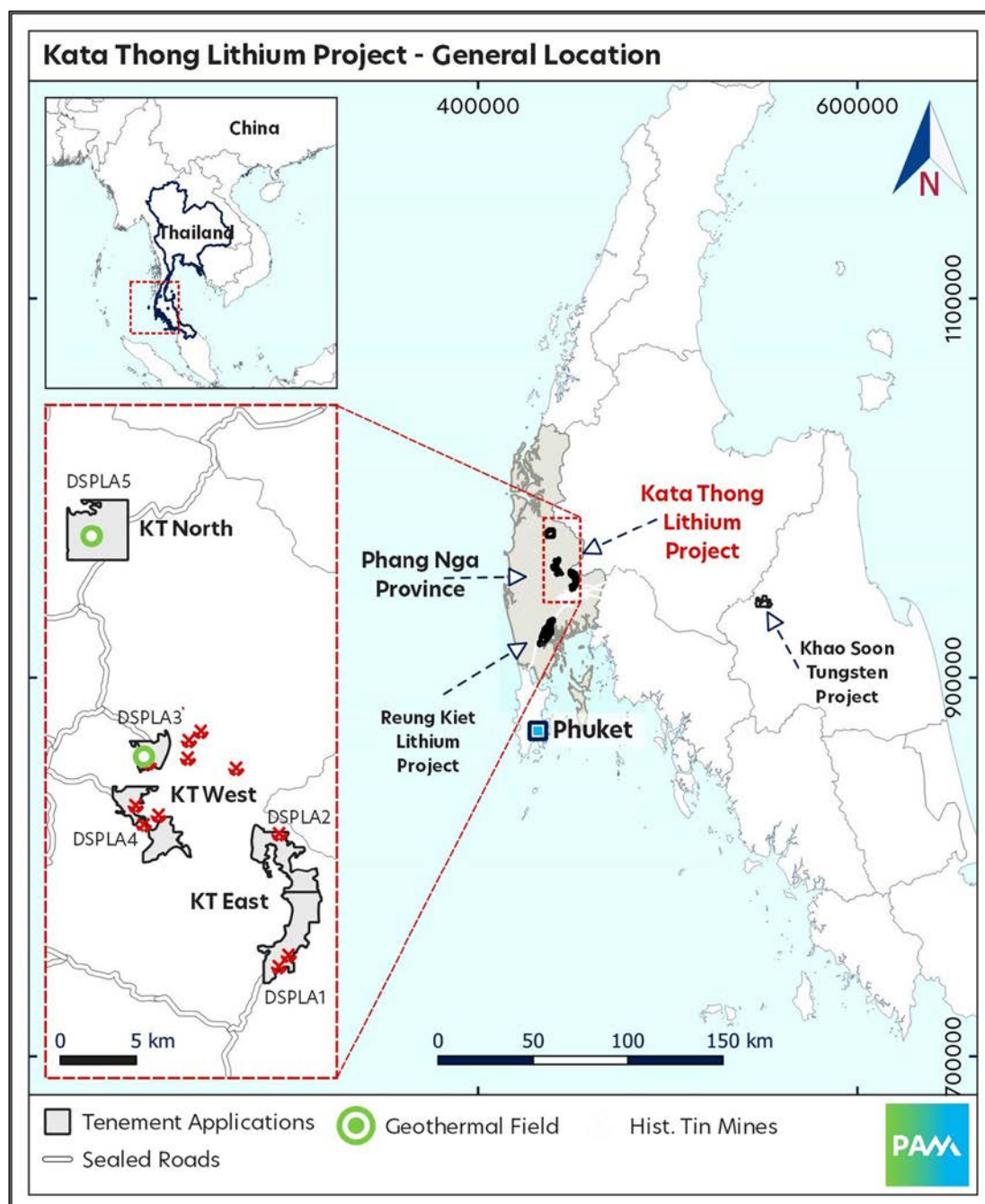
The Tama-Atacama Lithium Project is located in the Pampa del Tamarugal basin in the northern part of the Atacama Desert, in northern Chile. PAM's holdings include primarily lithium in brine style projects with a total area >1600km². In many lithium brine areas surface samples >1,000ppm Li and up to 2,200ppm Li have been generated.



Regional map identifying the location of the Tama Atacama Lithium Project

ABOUT THE KATA THONG LITHIUM PROJECT

The Kata Thong Lithium Project is a geothermal lithium and hard rock lithium-tin project located about 100km north-east of Phuket in the Phang Nga Province in southern Thailand. Pan Asia holds a 100% interest in 5 Special Prospecting Licence Applications (SPLA) covering about 45km².



Regional map identifying the location the Kata Thong Lithium Project

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 5B

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

Name of entity

PAN ASIA METALS LIMITED

Registration Number

201729187E

Quarter ended ("current quarter")

30 September 2023

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (9 months) \$US'000
1. Cash flows from operating activities			
1.1 Receipts from customers	-	-	-
1.2 Payments for	-	-	-
(a) exploration & evaluation	-	-	-
(b) development	-	-	-
(c) production	-	-	-
(d) staff costs	(96)	(557)	
(e) administration and corporate costs	(487)	(1,376)	
1.3 Dividends received (see note 3)	-	-	-
1.4 Interest received	-	-	-
1.5 Interest and other costs of finance paid	-	-	-
1.6 Income taxes paid	-	-	-
1.7 Government grants and tax incentives	-	-	-
1.8 Other (provide details if material)	3	10	
1.9 Net cash from / (used in) operating activities	(580)	(1,923)	
2. Cash flows from investing activities			
2.1 Payments to acquire or for:			
(a) entities	-	-	-
(b) tenements	-	-	-
(c) property, plant and equipment	-	-	-
(d) exploration & evaluation	(596)	(1,926)	

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (9 months) \$US'000
	(e) investments	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:	-	-
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other	-	(9)
2.6	Net cash from / (used in) investing activities	(596)	(1,935)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	502	2,722
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(152)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (9 months) \$US'000
3.9	Others ¹	395	381
3.10	Net cash from / (used in) financing activities	897	2,951

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	363	970
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(580)	(1,923)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(596)	(1,935)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	897	2,951
4.5	Effect of movement in exchange rates on cash held	20	41
4.6	Cash and cash equivalents at end of period	104	104

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$US'000	Previous quarter \$US'000
5.1	Bank balances	104	363
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (Short term bonds)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	104	363

¹\$396k (YTD: \$382k) comprised of the \$402k during the current quarter (YTD: \$402k) received from key managerial personnel as advance towards share capital and payment of lease liabilities of \$7k during the current quarter (YTD: \$21k).

6.	Payments to related parties of the entity and their associates	Current quarter \$US'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	43
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

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

8.	Estimated cash available for future operating activities	\$US'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(580)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(596)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,176)
8.4	Cash and cash equivalents at quarter end (item 4.6)	104
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	104
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.09
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: Yes

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Yes. i. As announced on ASX on 25 October 2023, PAM completed a capital raise with firm commitments to raise A\$1,450,000 (before costs) by way of a placement to new and existing sophisticated and institutional investors. Settlement is for 31 October 2023. ii. PAM expects payment by Anadara Battery Transition Fund of its irrevocable commitment to invest A\$1.2m.

As demonstrated in the past, the Company has been successful in funding its operations through capital raising initiatives.

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

Answer: Yes, the funds raised referred to above are expected to be sufficient to fund Company's operations given the Company's drilling campaign at Reung Kiet is drawing to a close and PAM is in a position to reduce expenditure (if required) without affecting progress on its projects.

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

Compliance statement

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

Date: 30 October 2023

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

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: *Exploration for and Evaluation of Mineral Resources* and AASB 107: *Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.