

7th November 2023

Exploration accelerates at Yalgoo Lithium Project in collaboration with SensOre

Farm-in Agreement Completed on Southern Yalgoo Tenement

Australian battery minerals explorer, Firetail Resources Limited (FTL, **Firetail** or **the Company**) (ASX: FTL) is pleased to announce a farm-in agreement completed with SensOre (**Sensore**) (ASX:S3N), through its joint-venture subsidiary Exploration Ventures AI Pty (EXAI) in partnership with german resource investment group Deutsche Rohstoff AG, on tenement E59/E2252, a part of the Firetail Yalgoo Lithium Project ("**Yalgoo**") in Western Australia.

- EXAI to earn up to 80% of Lithium Rights on E59/E2252 by spending \$3.5m in two stages.
- Additional considerations of up to \$600,000 on delivery of maiden Mineral Resource Estimate ("MRE") and Pre-feasibility Study ("PFS").
- Under the terms of agreement, SensOre will provide Firetail access to its proprietary AI technology across the Yalgoo and Dalgaranga Lithium Projects.
- SensOre has identified Lithium-Caesium-Tantalum ("LCT") mineralisation with the use of its proprietary technology.
- SensOre and Firetail to work closely together to identify and confirm Lithium exploration targets in the region.
- Firetail has commenced diamond drilling ("DD") at its Picha Copper Project in Peru with ten drill holes for ~5,000m.

Firetail Executive Chairman, Brett Grosvenor, commented:

"The approach and subsequent deal with SensOre, validates our understanding of the region and the potential for a Lithium discovery in this region. The agreement with SensOre enables the FTL team to continue to concentrate efforts on the current targets identified, whilst simultaneously unlocking the potential of the other tenements in the region.

"Firetail has its initial drill program underway at the Picha Copper Project in Peru, and we are delighted to be able to progress our exploration activities across our portfolio in collaboration with SensOre.

"This is a great outcome for FTL shareholders and we look forward to working with the SensOre team in the coming months."

SensOre Executive Director and CEO, Richard Taylor, commented:

"We are delighted to have the opportunity to collaborate with Firetail in this LCT-prospective region, where the FTL team has made great progress with their exploration so far. We are excited to see the value that SensOre will be able to bring with our proprietary AI technology in exploring the wider Yalgoo and Dalgaranga Project area."

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Yalgoo-Dalgaranga Lithium Project

The Yalgoo and Dalgaranga Lithium Project comprises 14 granted concessions covering an area of over 1750km², and is located near Geraldton Port in the growing mid-west mining region of Western Australia. Yalgoo is close to all infrastructure, including an existing mine camp powered by renewable energy.

Firetail has completed significant exploration across the project since listing in April 2022, using a systematic strategy of surface mapping and geochemical sampling to identify targets. Firetail identified a 25km “Goldilocks Zone” confirmed to host LCT pegmatites¹, and completed its maiden reverse-circulation (“RC”) drilling campaign in an area of just 1km by 2km within the zone². Drilling confirmed high-grade rubidium in the area³, including 10m @ 0.44% Rb from 10m, warranting further investigation as one of the highest value critical minerals with potential applications for decarbonisation.

Further detailed mapping and rock chip sampling by Firetail at the Johnson Well prospect, 8km south-east of Yalgoo confirmed the continuation of fertile pegmatites along strike to northwest of Johnson Well lepidolite mine⁴. Significant rock chip assay results include:

- 0.54% Li₂O, >1% Rb, 707ppm Cs and 304ppm Ta
- 0.37% Li₂O, >1% Rb, 800ppm Cs and 166ppm Ta
- 0.17% Li₂O, 6410ppm Rb, 435ppm Cs and 82 ppm Ta

The Company subsequently undertook a program of RC drilling⁵ comprising 22 holes for 589m at the Johnson Well Prospect. Pegmatites were intersected in 3 of the 4 drill sections over a strike length of around 150m and appear continuous for ~120m down-dip.

Encouraging assay results were received including:

- 3m @ 0.83% Li₂O from 32m including 1m @ 1.16% Li₂O from 34m (JWRC-0005)

Lithium minerals observed in the pegmatites were predominantly lepidolite and zinnwaldite, associated with potassium feldspar, albite, muscovite and biotite. The Company was pleased to note the apparent increase in lithium grade at depth where the deepest pegmatite intersection returned the best lithium assay result (drill hole JWRC-0005).

¹ ASX Announcement 15 September 2022: High Grade Lithium Rock Chips Enveloped by 25km+ Large Scale “Goldilocks Zone” at Yalgoo

² ASX Announcement 28 October 2022: Wide Zones of Pegmatite Intersected at Yalgoo Lithium Project

³ ASX Announcement 3 April 2023: Maiden Drill Campaign confirms High-grade Rubidium at Yalgoo

⁴ ASX Announcement 23 May 2023: Rock Chips confirm Fertile System at Johnson Well, Yalgoo Lithium Project

⁵ ASX Announcement 23 August 2023 – Drill Program at Yalgoo confirms continuity of LCT pegmatites and Johnson Well

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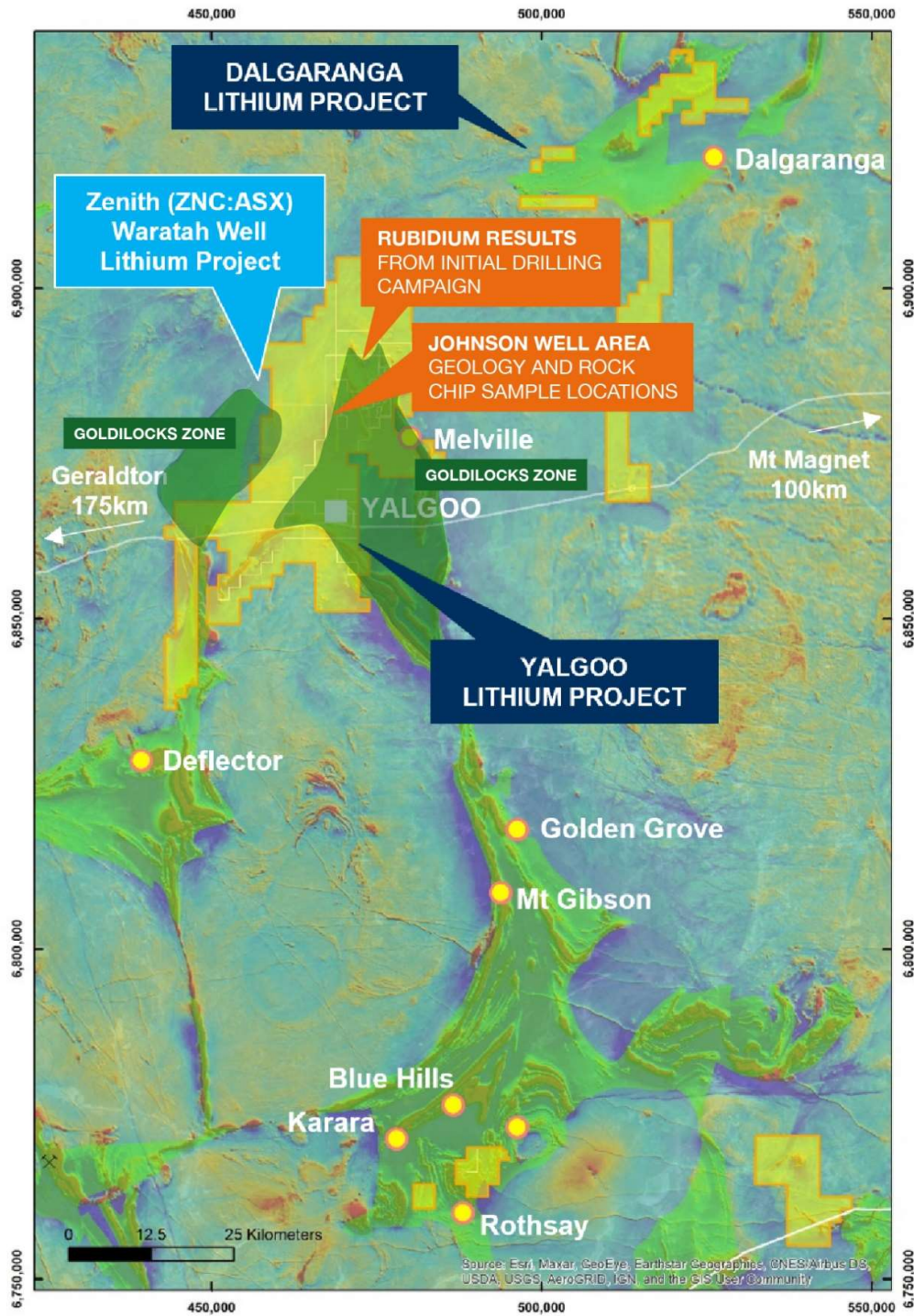


FIGURE 1: YALGOO DALGARANGA LITHIUM PROJECT SHOWING FTL DRILLING AND DEFINITION OF 25KM "GOLDILOCKS ZONE"

Key Terms of Farm-In

- EXAI may earn a 51% beneficial interest in the Lithium Rights in E59/E2252 by sole funding the first \$1.5m of Farm-in Expenditure within the first 2 years of the Farm-in Period, plus the following considerations:
 - \$15,000 on signing of the term sheet, payable to FTL (Condition Precedent)
 - SensOre to provide its Discriminant Predictive Targeting® (DPT®) workflow over the farm-in tenements (to the value of \$100,000) (Condition Precedent)
 - FTL to have free-carry
- EXAI may earn a further 29% beneficial interest in the Lithium Rights in E59/E2252 by expending a further \$2m with 2 years following the end of the Farm-in Period (with the effect being that, in order to earn both the initial 51% beneficial interest and the further 19% beneficial interest in the Lithium Rights in E59/E2252).
- Dilution to 10% with ongoing spend with residual 1.5% Net Smelter Return (“NSR”).
- A clawback under the agreement grants FTL as the tenement holder the ability to reduce the beneficial interest in the Lithium Rights in E59/E2252 if EXAI does not proceed with drilling.
- Contingent Payments to Firetail
 - \$200,000 payable to FTL on completion of Maiden Mineral Resource Estimate (“MRE”).
 - \$400,000 payable to FTL on completion of Pre-Feasibility Study (“PFS”).

Firetail’s Exploration Strategy and Future Work

Picha Copper Project, Peru

- Initial DD program underway⁶ with diamond drilling program comprising ten drill holes for ~5,000m.
- Firetail expects the drill program will be approximately 2-3 months in duration, with assays expected to be received in 6-10 weeks and then progressively during the drilling campaign.
- Regulatory approval in place⁷ for further drilling within an approved Effective Area, permits up to 120 holes at Picha comprising up to 40 drill platforms with three holes planned per platform.

Yalgoo-Dalgaranga Lithium Project, Western Australia

- RC Drilling campaign planned to follow-up on results from first drill program at the Johnson Well Prospect, testing the down-dip extent of the pegmatites.
- Regional target generation at Dalgaranga and Yalgoo Projects – review of geochemical, geological mapping and geophysical targets.
- Further geochemical soil sampling in the broader Johnson’s Well area and potential new regional LCT pegmatite targets identified at both Yalgoo and Dalgaranga Projects.
- Detailed petrographic and mineralogical studies in conjunction with a geochemical data study to better understand pegmatite mineralogy.

⁶ ASX Announcement 5 October 2023 – Peru Maiden Drilling Campaign Underway

⁷ VAL ASX Announcement 4 August 2023 – Valor Secures Final Drilling Approvals for Picha Project

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This announcement has been authorised for release on ASX by the Company's Board of Directors.

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About SensOre

SensOre aims to become the top performing minerals targeting company in the world through the deployment of AI and machine learning (ML) technologies, specifically its Discriminant Predictive Targeting® (DPT®) workflow. SensOre collects all available geological information in a terrane and places it in a multidimensional hypercube or data cube. SensOre's big data approach allows DPT predictive analytics to accurately predict known endowment and generate targets for further discovery.

About Firetail Resources

Firetail Resources (ASX:FTL) is a battery minerals company with an exciting project portfolio with exposure to multiple battery mineral commodities at its well-located Western Australian and Queensland projects. The projects range from early exploration stage at the Paterson and Yalgoo-Dalgaranga Projects through to advanced exploration-early resource stage at the Mt Slopeaway Project.

After receiving recent shareholder approval, Firetail has commenced drilling in Peru, with the acquisition of up to 80% of the issued share capital of Kiwanda, a wholly owned subsidiary of Valor Resources Ltd (ASX: VAL) that holds mining concessions comprising the Picha Copper Silver Project and Charaque Copper Projects in Peru. Picha is an exciting copper-silver project with multiple drill-ready targets to be tested in coming months; and Charaque hosts a farm-in deal completed with leading global mining company, Barrick Gold Corporation.

With a portfolio of highly prospective assets plus the experience of a strong technical team, the Company is well positioned to rapidly explore and develop its battery mineral projects and become a significant contributor to the green energy revolution.

Peru Projects



Australia Projects



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