



ASX ANNOUNCEMENT

13 February 2024



**VALOR
RESOURCES**

DEFINITIVE PURCHASE OPTION AGREEMENT SIGNED FOR FRAZER LAKE LITHIUM PROJECT, CANADA

Purchase option agreement provides Valor with the right to acquire 100% of the Frazer Lake Lithium Project upon completion of an initial exploration program

HIGHLIGHTS

- ▶ Definitive Agreement signed providing Valor with the option to acquire 100% of the Frazer Lake Lithium Project in Ontario, Canada.
- ▶ A\$80,000 cash payment made by Valor upon signing.
- ▶ Key terms of the purchase option agreement include:
 - 30,000,000 Shares at a deemed issue price of A\$0.004 per Share or A\$120,000 cash at Valor's election on the earlier of the commencement of on ground field-based exploration activities or 1 June 2024; and
 - 30,000,000 Shares at a deemed issue price of A\$0.004 per Share or A\$120,000 cash at Valor's election three months post commencement of on ground field-based exploration activities.
 - In the event Valor elects to proceed with 100% acquisition, Valor is required to issue 1,000,000,000 shares on a pre-consolidation basis. The issue of these Shares will be subject to shareholder approval pursuant to Listing Rule 7.1.
- ▶ Frazer Lake Lithium Project has spodumene-bearing pegmatites mapped and channel sampled. Recent channel sampling has returned results including:
 - 44m at 0.54% Li₂O, including 3m at 0.97% Li₂O, 3m at 1.27% Li₂O, 1m at 1.76% Li₂O and 2m at 0.87% Li₂O~30m wide outcrop of spodumene bearing pegmatite is completely open along strike to the north-east and is yet to be drill tested. Details of the sampling and assay results are contained in Valor's ASX announcement dated 5th December 2023 and titled "*Valor enters into exclusive option agreements to acquire 100% of three lithium projects in north-western Ontario, Canada*".

Further to its announcement of 5 December 2023, Valor Resources Limited (**Valor** or **the Company**) (ASX: **VAL**) is pleased to advise that it has now signed a definitive purchase option agreement giving it the right to acquire 100% of the highly prospective **Frazer Lake Lithium Project** in Ontario, Canada.

The Frazer Lake Lithium Project is one of three highly prospective lithium projects in north-western Ontario subject to option agreements announced late last year. The agreements give Valor a low-cost option to acquire a portfolio of highly prospective lithium projects, alongside its extensive portfolio of high-potential uranium and rare earth assets in Canada's world-class Athabasca Basin.

In addition to the Frazer Lake purchase option agreement, the Company is currently working on the definitive agreement for the Morrison Lake Property with PGA and finalising the acquisition of the Jesaulenko project.

Commenting on the agreement, Valor Executive Chairman, George Bauk, said: *“We are pleased to have signed a definitive purchase option agreement on the Frazer Lake Lithium Project as we continue to methodically tick the various boxes towards the repositioning of Valor as Thunderbird Resources over the next few months.*

The Frazer Lake Lithium Project is a potentially exciting addition to our portfolio, and we look forward to getting teams on the ground to commence initial exploration activities.

Our aim is to finalise the lithium transactions in the coming weeks and will be working to get on the ground as soon as possible.”

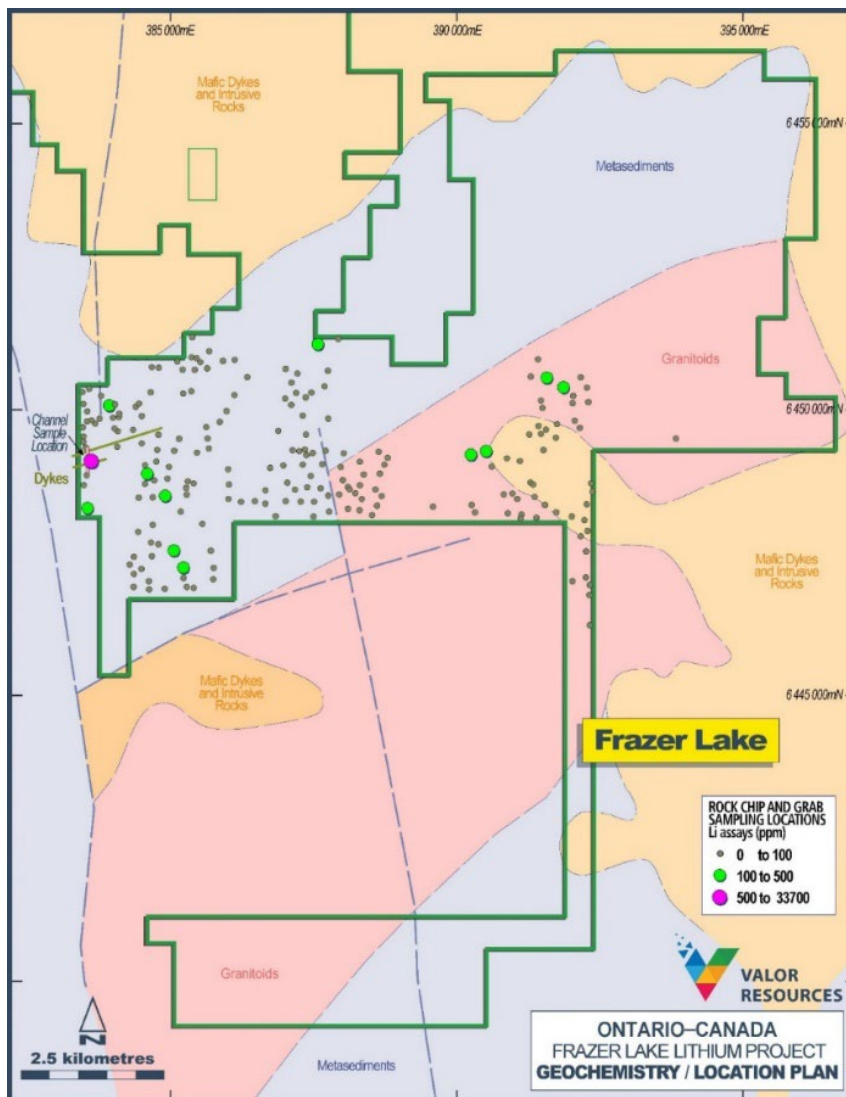


Figure 1 Frazer Lake Lithium Project Geology, Rock Chip/grab samples (Li ppm) and Channel Sample location

FRAZER LAKE LITHIUM PROJECT OVERVIEW

The Frazer Lake Lithium Project is located in north-western Ontario and covers an area of 83.1km². The Project is located within the emerging region around Thunder Bay, where several significant lithium projects are currently under development (see Figure 2).

This includes Rock Tech Lithium's Georgia Lake Project, which hosts an Indicated Mineral Resource of 10.6Mt @ 0.88% Li₂O, an Inferred Resource of 4.2Mt @ 1% Li₂O and a Probable Ore Reserve of 7.33Mt @ 0.82% Li₂O. Production from Georgia Lake is scheduled to commence in 2025. (Rock Tech Technical Report "Georgia Lake Lithium Project Pre-Feasibility Study" 1st October 2022).

Green Technology Metals Seymour and Root Projects are also currently under development, with Seymour having a Total Mineral Resource of 9.9Mt @ 1.04% Li₂O and Root an Inferred Mineral Resource of 4.5Mt @ 1.01% Li₂O (source Green Technology website www.greentm.com.au).

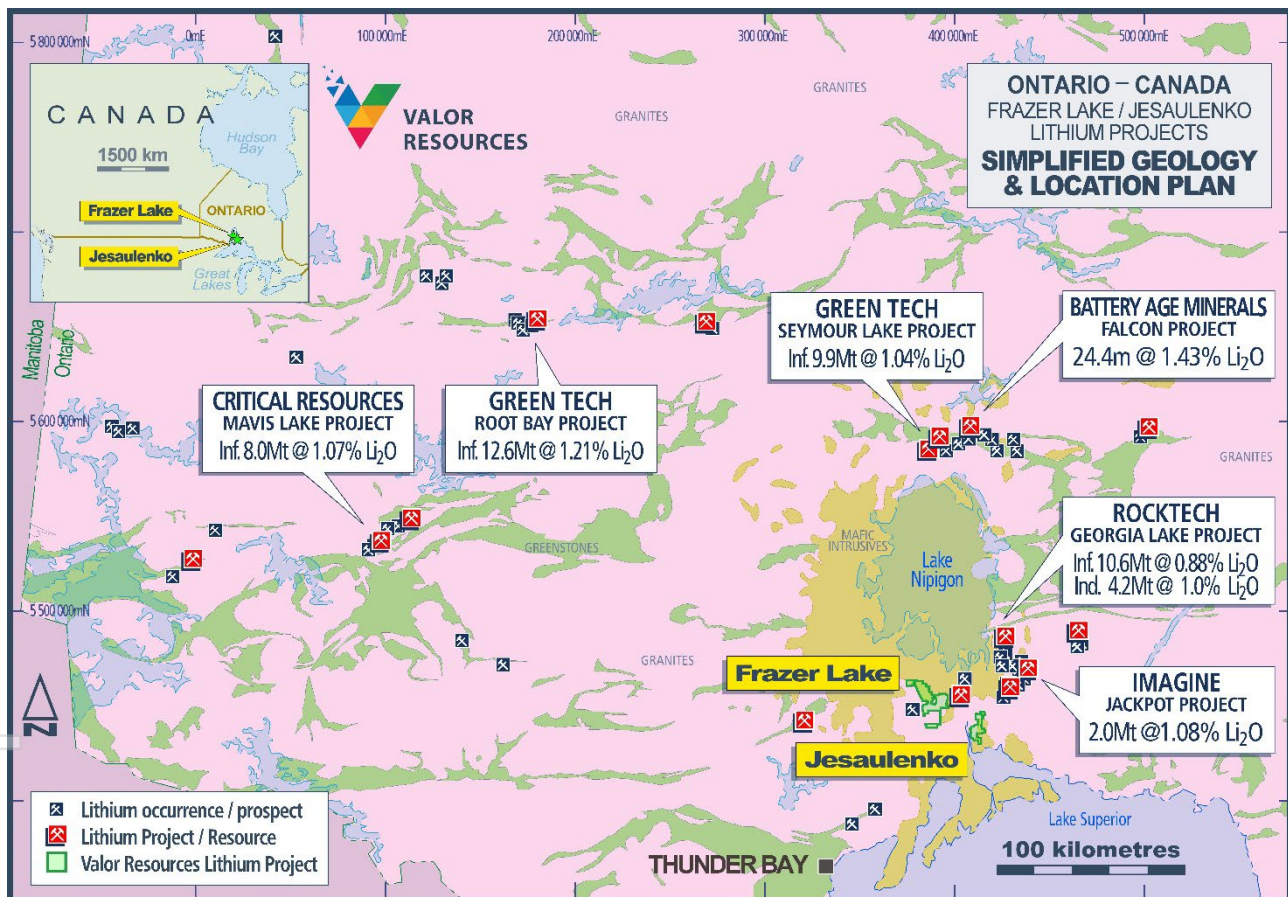


Figure 2: Frazer Lake Lithium Project location (Refer to Table 1 for mineral resource details).

The initial discovery of spodumene at Frazer Lake was made in August 2023, with rock chip samples returning grades of up to 7.25% Li₂O. Channel sampling was undertaken subsequently with the aim of determining the orientation and width of the spodumene-bearing pegmatite.

Details of the sampling and assay results are contained in Valor's ASX announcement dated 5th December 2023 and titled "Valor enters into exclusive option agreements to acquire 100% of three lithium projects in north-western Ontario, Canada".

A 49m continuous channel sample was undertaken obliquely to the strike of the spodumene bearing pegmatite, with pegmatite logged across 47.5m of the channel (see Figure 32 and 4).

Results of the channel sampling were highlighted by the following (cut-off of 0.20% Li₂O and max. internal dilution of 3m continuous):

44m at 0.54% Li₂O

- Including 3m at 0.97% Li₂O, 3m at 1.27% Li₂O, 1m at 1.76% Li₂O and 2m at 0.87% Li₂O

Follow-up channel sampling along strike to the north-east is proposed to be conducted upon completion of the transaction to further refine the geometry and extent of mineralisation. Access along strike to the southwest is limited by the Black Sturgeon Provincial Park. Targeted drilling will be rapidly conducted following the channel sampling.

Further exploration will also be carried out to identify additional Lithium-Caesium-Tantalum (LCT) pegmatites within the exploration area. This will include following up on some of the anomalous rock chip/grab samples taken by PGA across the project area (see Figure 1).

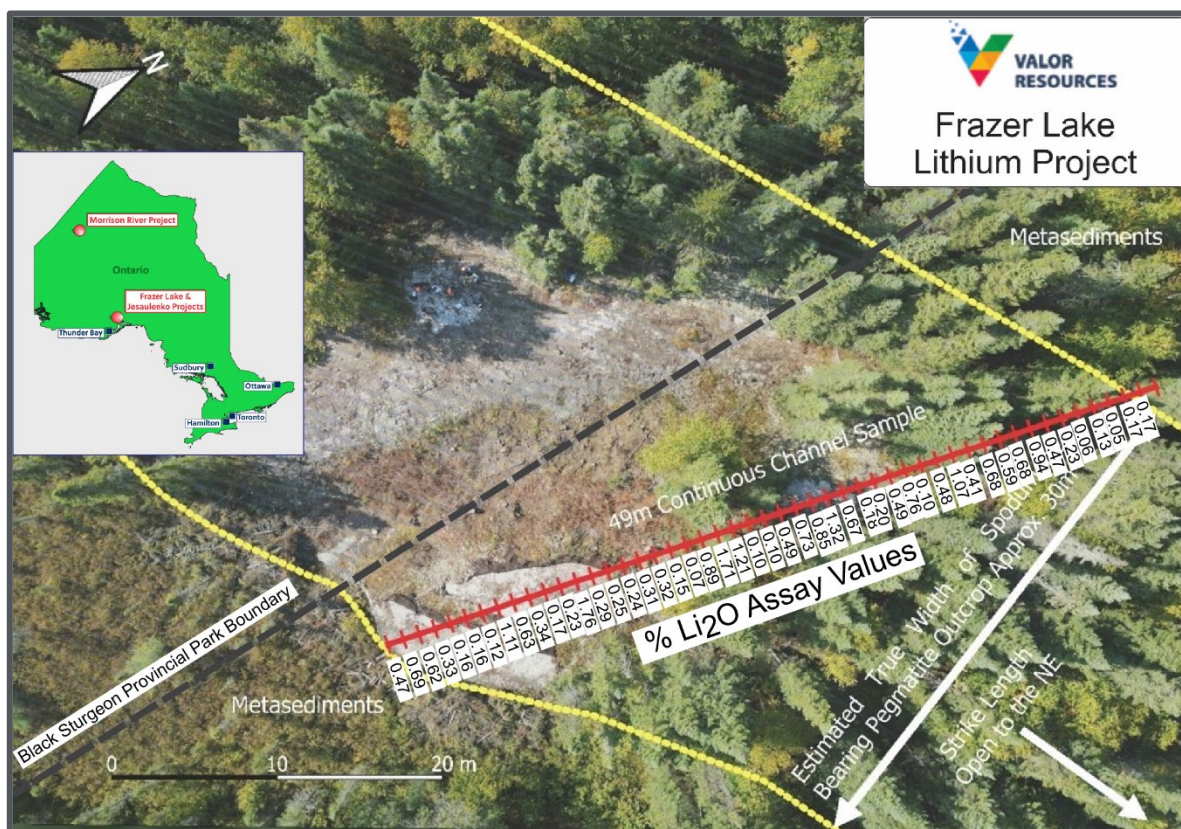


Figure 3: Plan View of Frazer Lake Channel Sample and Li₂O assay values.



Figure 4: Spodumene Bearing Pegmatite from Channel Sampling.

Deposit/Prospect	Owner	Status	Category	Tonnes (Mt)	Grade (Li ₂ O)	Intercept	Source
Mavis Lake	Critical Resources	Exploration	Inferred	8.0	1.07	-	https://www.criticalresources.com.au/our-projects/mavis-lake-lithium-project/
Root Bay Project	Green Technology Metals	Exploration	Inferred	12.6	1.21	-	https://www.greentm.com.au/root-project
Seymour Project		Exploration	Indicated	5.2	1.29		https://www.greentm.com.au/seymour-project
				Inferred	4.7	0.76	
Falcon Lake Project	Battery Age Minerals	Exploration	Intercept	-	-	24.4m @ 1.48% Li ₂ O	https://batteryage.au/projects/falcon-lake-project/
Georgia Lake Project	Rock Tech Lithium	Pre-feasibility	Indicated	4.2	1.0	-	https://www.rocktechlithium.com/
			Inferred	10.6	0.88		
Jackpot Project	Imagine Lithium	Historical Resource/Exploration	Unspecified	2	1.08	-	https://iminelithium.com/jackpot/

Table 1: Mineral Resources Details.

FRAZER LAKE PURCHASE OPTION AGREEMENT

- Pegmatite One Lithium and Gold Corp (CSE: **PGA**) (PGA) has entered into an exclusive binding purchase option agreement with the Company for the acquisition of 100% of the Frazer Lake Lithium Project.
- For the exclusive right until the 30th of September 2024 to acquire the Frazer Laker Lithium Project, the Company is to pay (on a pre-Consolidation basis):
 - A\$80,000 cash, which was paid by the Company upon execution of the agreement;
 - 30,000,000 Shares at a deemed issue price of A\$0.004 per Share or A\$120,000 cash at the Company's election on the earlier of the commencement of on ground field-based exploration activities or 1 June 2024; and
 - 30,000,000 Shares at a deemed issue price of A\$0.004 per Share or A\$120,000 cash at the Company's election three months post commencement of on ground field-based exploration activities.
- In the event the Company elects to proceed the acquisition, the Company is required to issue 1,000,000,000 Shares (on a pre-consolidation basis). The issue of these Shares will be subject to Shareholder approval pursuant to Listing Rule 7.1.
- Conditions precedent include the Company and PGA obtaining all required shareholder and regulatory approvals and no material adverse change having incurred in relation to the Company.
- A termination fee of up to A\$400,000 will be payable by PGA to the Company in the event the agreement is terminated as a result of PGA accepting a superior proposal or failing to obtain shareholder approval for the acquisition.
- The agreement otherwise contains terms and conditions consistent with customary option agreements of this nature in Ontario, Canada.

As announced on 5 December 2023, the Company proposes to undertake a share capital consolidation on a 25-for-1 basis and will seek shareholder approval at an upcoming general meeting of shareholders, indicatively scheduled for the first quarter of 2024.

This announcement has been authorised for release by the Board of Directors.

For further information, please contact:

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COMPETENT PERSON STATEMENT

The information in this documents that relates to Exploration Results is based on information compiled by Mr Robin Wilson who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Wilson is a consultant and Technical Director for Valor Resources and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which 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' (the JORC Code). Mr Wilson consents to the inclusion of this information in the form and context in which it appears.

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ABOUT VALOR RESOURCES

Valor Resources Limited (ASX:VAL) ("Valor" or "the Company") is an exploration company dedicated to creating shareholder value through acquisitions and exploration activities. The Company is focused on three key commodities, uranium, lithium and copper, as outlined below, in Canada.

- Diversified critical minerals explorer focused on Tier-1 jurisdictions
- Strong track record of generating high-value projects (Uranium, Lithium and Copper)
- Entered into binding agreements to acquire three lithium assets in Ontario, Canada
- Portfolio streamlined through recent sale of Picha and Charaque Copper Projects in Peru to Firetail Resources (ASX: FTL)
- Focus on high-potential, drill-ready uranium assets in Canada's Athabasca Basin at the right time in the Uranium cycle:
 - Hidden Bay – 5 drill-ready targets identified.**
 - Cluff Lake – 4 priority drill targets identified.**
 - Surprise Creek Fault – mineralisation delineated over 500m of strike.**
 - Hook Lake – Follow-up on 11 new targets**
 - Beatty River – Follow-up on historical HRE exploration results**
- Significant leverage to exploration success in Peru through 20.58% shareholding in Firetail plus retained 20% project interest – drilling commenced at Picha Project in October.

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