



**CHARIOT**  
CORPORATION

02  
// MUSTANG  
// - INT / Geo. Testing  
// SPODUMENE

01  
// WYOMING  
// - INT / BLACK MOUNTAIN

03  
// SPODUMENE  
// - INT / (sample code)  
// LIAI (+ S10<sub>2</sub>)

BLACK MOUNTAIN

ASX ANNOUNCEMENT

4 September 2024

## Clarification to Chariot's ASX Announcement dated 30 August 2024

Chariot Corp Limited (ASX:CC9) ("**Chariot**") refers to the announcement dated 30 August 2024 entitled "Chariot and Mustang Lithium LLC repossess Horizon and Halo lithium projects" (the "**Original Announcement**") pursuant to which the Company announced that Mustang Lithium LLC ("**Mustang**"), in which Chariot holds a 24.1% interest, was in the process of terminating property option agreements entered into by two of its wholly-owned subsidiaries, Horizon Lithium LLC and Halo Lithium LLC, with Canadian Securities Exchange (CSE) listed Pan American Energy Corp. (CSE:PNRG) ("**Pan American Energy**") and POWR Lithium Corp. (CSE:POWR) ("**POWR**"), respectively. This action by Mustang will result in Horizon Lithium LLC's and Halo Lithium LLC's repossession of full and unencumbered ownership of the Horizon Lithium Project and Halo Lithium Project, respectively.

As disclosed in the Original Announcement:

- Each of Pan American Energy and POWR decided not to make the required payment of claims maintenance fees to the U.S. Bureau of Land Management ("**BLM**") and to surrender their respective interests in the mineral claims constituting the Horizon Lithium Project and the Halo Lithium Project (together, the "**Projects**"). Both have cited current lithium market conditions as the principal reason for terminating their respective property option agreement.
- Mustang completed a capital raising of US\$250,000 through the issue of convertible notes and has used the funds raised to pay the maintenance fees to the BLM to maintain its interest in the Projects.

Chariot disclosed the mineral resource estimate stated in Figure 1 (the "**Horizon NI 43-101 Mineral Resource Estimate**") in relation to the Horizon Lithium Project in the Original Announcement which was prepared by Pan American Energy in accordance with Canadian National Instrument 43-101 ("**NI 43-101**") standards. This mineral resource estimate is considered a "foreign estimate" for the purposes of the ASX Listing Rules ("**Listing Rules**") as it relates to a "material mining project" that the Company is reacquiring an interest in and therefore is required to be reported in compliance with Chapter 5 of the Listing Rules (particularly Listing Rule 5.12). The purpose of this announcement is to include the requisite disclosures required by Listing Rule 5.12 in respect to the Original Announcement.



Pan American Energy reported the Horizon NI 43-101 Mineral Resource Estimate to the Canadian Securities Exchange on 20 November 2023 and subsequently released an NI 43-101 compliant technical report on 4 January 2024<sup>1</sup>.

**Table 1: Horizon Lithium Project Mineral Resource<sup>1</sup>**

Mineral Resource Classification	Tonnage (Mt)	Grade (Li ppm)	Li Contained (Mt)	LCE Contained (Mt)
Indicated	373	669	0.25	1.33
Inferred	2,454	680	1.67	8.88
Total	2,827	679	1.92	10.21

*Effective Date 15 November 2023, reported by Pan American Energy Corp. Resources are reported above a cut-off grade of 300 ppm Li.*

### Cautionary Statement

A “mineral resource” is as defined in the JORC Code (“**Mineral Resource**”) and the “competent person” is as defined in the JORC Code (the “**Competent Person**”).

The Horizon NI 43-101 Mineral Resource Estimate contained in this announcement and the Original Announcement has been prepared in accordance with NI 43-101 standards and has not been reported in accordance with the JORC Code.

Investors and other users of the Horizon NI 43-101 Mineral Resource Estimate are cautioned that, as is the case with any Mineral Resource, reported tonnages and grades obtained from sparse points of observation, are subject to change as further data that adds to knowledge of the Mineral Resource are received and interpreted. The reported Mineral Resource may also be subject to variation when compiled by a different Competent Person, reflecting differences in interpretation of available data and previous experience with the commodity and style of mineralisation being reported.

The reported tonnes and grades have been reported and classified in compliance with the CIM Definition Standards for Mineral Resources and Mineral Reserves (CIM, 2014). The CIM Definition Standards are closely comparable with the JORC Code.

The Competent Person for this announcement has yet to complete sufficient work to classify the foreign estimate in accordance with the JORC Code.

However, the Competent Person confirms that the information contained in this announcement and the Original Announcement is an accurate representation of the available data and studies for the Horizon Lithium Project.

<sup>1</sup> Refer to Pan American Energy Corp. announcement entitled “NI 43-101 TECHNICAL REPORT FOR THE HORIZON LITHIUM PROJECT” dated 20 November 2023 and technical report entitled “NI 43-101 Technical Report for the Horizon Lithium Project” announced 5 January 2024. An electronic copy of the technical report can be found on SEDAR at: [SEDAR FILING](#).

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It is uncertain that following further exploration and resource evaluation that the foreign estimates will be able to be reported as a Mineral Resource in accordance with the JORC Code. Work is planned, however, to address this uncertainty and an inability to report a Mineral Resource in accordance with the JORC Code is considered to be unlikely due to the close similarities between the CIM Definition Standards and the JORC Code.

Neither Chariot nor Mustang has independently verified the information relating to the Horizon NI 43-101 Mineral Resource Estimate as published by Pan American Energy.

Neither Chariot nor Mustang are in possession of any new information or data relating to the Horizon NI 43-101 Mineral Resource Estimate that materially affects the reliability of the estimate or their ability to verify foreign estimates as Mineral Resources in accordance with the JORC Code.

## Foreign Estimate Reporting

### Foreign Estimate

Listing Rule 5.6 requires any public report that includes a statement relating to “Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves” to be prepared in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (“**JORC Code**”), last revised in 2012.

A foreign estimate under the Listing Rules is considered to be an estimate of quantity and grade of mineralisation that was prepared using a mineral resources classification and reporting standard from another jurisdiction prior to an entity acquiring or entering into an agreement to acquire an interest in a mining tenement that contains the deposit and which the entity has not verified as minerals resources or ore reserves in accordance with the JORC Code.

As noted above, the Horizon NI 43-101 Mineral Resource Estimate, was reported by Pan American Energy prior to Mustang repossessing the Horizon Lithium Project and for this reason it is considered a foreign estimate for the purposes of the Listing Rules.

Mineral Resource estimates included in NI 43-101 technical reports are required to be reported in accordance with the CIM Definition Standards for Mineral Resources and Mineral Reserves (CIM, 2014). The CIM Definition Standards and JORC Codes are both reporting standards that adhere to “Exploration Results, Mineral Resource and Ore Reserve” definitions and standards published by the Committee for Mineral Reserves International Reporting Standards (CRIRSCO) and consequently adhere to very similar criteria for Mineral Resource and Ore Reserve definitions, classification criteria and reporting standards.

The Horizon NI 43-101 Mineral Resource Estimate was prepared by RESPEC Consultants Inc. (“**RESPEC**”), effective 15 November 2023 (Stirrett & Hemstad, 2023).

### Material Mining Project

The Horizon Lithium Project satisfies the definition of a material mining project under the Listing Rules due to Chariot’s 24.1% interest in Mustang (which has a 100% ownership interest in Horizon Lithium



LLC, the owner of the Horizon Lithium Project). Chariot's 24.1% indirect economic interest in the Horizon Lithium Project is material to the overall business operations and financial results of Chariot.

### **Listing Rule 5.12 Requirements**

The Company provides the following information for the purposes of Listing Rule 5.12:

- a) The Horizon NI 43-101 Mineral Resource Estimate has an effective date of 15 November 2023 and was first reported publicly in a NI 43-101 Technical Report by Pan American Energy (Stirrett & Hemstad, 2023) (the “**Technical Report**”), not the Company or Mustang. An electronic copy of the technical report can be found on SEDAR at: [SEDAR FILING](#).
- b) The foreign estimate is reported and classified in a manner that is immediately comparable with the those of the JORC Code in every respect other than the definition of a Competent/Qualified Person responsible for the report. Competent Persons reporting in compliance with the JORC Code are required to possess:
  - a. Recognised formal qualifications relevant to their field of practice
  - b. Membership of a prescribed professional association and,
  - c. A minimum of five years relevant experience in the commodity, deposit style and activity forming the subject of the report.

Qualified Persons reporting in compliance with the CIM Standard and NI 43-101 are also required to meet a. and b. above but are only required to have at least five years' experience in their field of practice.

- c) The Horizon NI 43-101 Mineral Resource Estimate is both relevant and material to Chariot and Mustang. Mustang will have 100% ownership of the Horizon Lithium Project. Chariot has a 24.1% interest in Mustang. The Horizon Lithium Project is the most advanced exploration project in Chariot's portfolio and the only one with a mineral resource estimate. This makes it material to Chariot's overall business operations and financial results, by virtue of Chariot's 24.1% interest in Mustang.
- d) The reliability of the Horizon NI 43-101 Mineral Resource Estimate is documented in the Technical Report which addresses all information required for public reporting of a Mineral Resource. Relevant points sourced from the Technical Report are presented in JORC Table 1 form in the Appendix to this document.
- e) The work program used to prepare the foreign estimate is documented in the JORC Table 1 appended to this announcement.
- f) The Horizon NI 43-101 Mineral Resource Estimate is the most recent publicly reported mineral resource estimate for the Horizon Lithium Project.



- g) Data on which the Horizon NI 43-101 Mineral Resource Estimate is based could be used to compile a Mineral Resource estimate for reporting in compliance with the JORC Code. This could be demonstrated by completing a technical review of the NI 43-101 report and data used to compile the Horizon NI 43-101 Mineral Resource Estimate, to which Mustang and Chariot have access.
- h) Mustang and Chariot plan to continue exploration and resource evaluation of the Horizon Lithium Project to improve their knowledge of the Horizon NI 43-101 Mineral Resource Estimate and development potential. This work would include verification of the Horizon NI 43-101 Mineral Resource Estimate to better understand the nature and quantum of technical risks inherent in the estimate. This work is expected to commence as soon as practicable after Mustang raises sufficient funds to do so.

Authorised on behalf of the Board of Directors.

Shanthar Pathmanathan  
Managing Director  
Chariot Corporation Ltd





## References

CIM. (2014). *CIM Definition Standards for Mineral Resources and Mineral Reserves oreared by the CIM Standing Committee on Reserve Definitions, Adopted by the CIM Council May 19, 2014*. Westmount, Quebec: Canadian Institute of Mining, Metallurgy and Petroleum.

Stirrett, T., & Hemstad, E. (2023). *Ni 43-101 Technical Report for the Horizon Lithium Project, Tonopah Nevada, Effective Date December 21, 2023*. Saskatoon: RESPEC Consulting Inc Report RSI-3334 for Pan American Energy Corp.

## Competent Person Statement

The information in this report that relates to Mineral Resources is based on a review of the Ni 43-101 Technical Report for the Horizon Project by Mr Andrew Waltho B.App.Sc (Hons) (Geology), FAIG, RPGeo, FAusIMM, FGS, PMSME, GAICD, a “Competent Person” (as defined in the JORC) who is a Fellow of both the Australian Institute of Geoscientists and the Australasian Institute of Mining and Metallurgy. Mr Waltho is an employee of ERM Australia Consultants Pty Ltd. Chariot and Mustang are clients of ERM. No relationship exists that could be perceived by investors as a conflict of interest.

Mr Waltho 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’. Mr Waltho consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

## Important Notice

Statements in this announcement are made only as of the date of this announcement unless otherwise stated and the information in this announcement remains subject to change without notice.

To the maximum extent permitted by law, neither Chariot nor any of its affiliates, related bodies corporate, their respective officers, directors, employees, advisors and agents or any other person accepts any liability as to or in relation to the accuracy or completeness of the information, statements, opinions or matters (express or implied) arising out of, contained in or derived from this announcement or any omission from this announcement or of any other written or oral information or opinions provided now or in the future to any person.

This announcement may contain some references to forecasts, estimates, assumptions and other forward-looking statements. Although the Company believes that its expectations, estimates and projected outcomes are based on reasonable assumptions, it can give no assurance that they will be achieved.



# About Chariot

## About Chariot

Chariot Corporation Limited is a mineral exploration company focused on discovering and developing high-grade and near surface lithium opportunities in the United States. Chariot has twelve (12) lithium projects, including two core projects (the “**Core Projects**”) and a number of exploration pipeline projects which Chariot majority owns and operates. In addition, Chariot holds its interest in Mustang.

The Core Projects include Chariot’s flagship Black Mountain Project (which is prospective for hard rock lithium) in Wyoming, USA and the Resurgent Project (which is prospective for claystone lithium) in Nevada and Oregon, USA. Initial survey results from the Core Projects indicate high-grade lithium mineralisation at surface.

Chariot holds an interest in six exploration pipeline projects located in Wyoming, USA, including, the Copper Mountain Project, the South Pass Project and four other hard rock lithium projects.

Chariot holds an interest in the Lida and Amargosa projects in Nevada, USA which are prospective for claystone hosted lithium.

Chariot holds an interest in a hard rock lithium project in Zimbabwe which is prospective for spodumene bearing pegmatites and an early-stage hard rock lithium exploration project in Western Australia.

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## Appendix

# JORC Table 1 – Information sourced from Horizon Project NI 43-101 Technical Report

(Stirrett & Hemstad, 2023)

## Section 1: Sampling Techniques and Data

Criteria	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"><li>• Lithium mineralisation forming the Horizon deposit occurs in fine grained sedimentary and volcanoclastic rocks within the Siebert formation. Sample selection started at the first occurrence of the Siebert Formation claystone or equivalent sedimentary units. Samples were obtained by core drilling within the Siebert formation collected at approximately 5-foot (1.5 m) intervals. Core was cut to provide 1/3 core samples for analysis, with 2/3 core retained for reference and resampling at site.</li><li>• Core samples were transferred and kept inside wax-impregnated HQ boxes labelled with borehole identifiers, depth intervals, box numbers, and project titles.</li><li>• Samples for analysis were placed in double-clear plastic bags secured with staples. A paper sample tag was stapled to each bag, and the sample information was written on each bag with an indelible marker pen.</li></ul>
<i>Drilling techniques</i>	<ul style="list-style-type: none"><li>• Two phases of exploration drilling have been completed to date by KB Drilling Co, a local contractor. Rotary drilling was used from surface to the base of quaternary cover. HWT casing was installed over this interval. Drilling in the Siebert Formation used HQ wireline drilling and 5-foot rods. EZ Mud was circulated through the drill string from a mud pit at each drill site.</li><li>• Samples were extracted from the core barrel using high pressure water. Depth intervals, core run numbers, and core recovery (as a fraction) were scribed on wooden blocks and inserted into core boxes at the end of every core run.</li></ul>
<i>Drill sample recovery</i>	<ul style="list-style-type: none"><li>• Core recovery (as a fraction) was scribed on wooden blocks and inserted into core boxes at the end of every core run. No information was provided on potential correlation between sample recovery and grade. Lithium grades were found to be disseminated across the entire thickness of the claystone intervals sampled. All 20 drillholes analysed contained lithium, regardless of drillhole spacing or position of the assay sample within the stratigraphic succession of claystone and tuffaceous rocks.</li></ul>
<i>Logging</i>	<ul style="list-style-type: none"><li>• All samples were logged by contract (RESPEC) project geologists supervising drilling.</li></ul>



Criteria	Commentary
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> <li>RESPEC geologists inserted quality assurance (QA) and quality control (QC) materials (certified reference pulps, blanks, and ¼ core field duplicates) to evaluate bias within the dataset.</li> <li>Samples were despatched to ALS, Reno Nevada for analysis.</li> <li>ALS performed a preliminary coarse crush of all dried samples to 70 percent passing less than 6 mm, followed by a fine crush to 70 percent passing less than 2 mm, a subsequent riffle split off 250 grams (g), and a final pulverization of the split to 85 percent passing 75 microns.</li> <li>ALS disposed of the coarse rejects and returned pulp reject material to RESPEC for preparation and submission to a check laboratory.</li> </ul>
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> <li>RESPEC geologists used CRMs obtained from Moment Exploration Geochemistry LLC (MEG). MEG is an independent laboratory in Lamaille, Nevada, that distributes CRMs with known mineral content. RESPEC used two sets of lithium standards, two blank pulps, and one coarse-grained blank from naturally occurring geologic materials available from MEG.</li> <li>CRMs, field duplicates, and check laboratory repeats were assigned unique sample numbers and paper tag identifiers to enable subsequent data correlation with geochemical assay result reporting. The QC and sample preparation program implemented for the Property before analyses of check laboratory repeats achieved an insertion rate of 5.12 percent. This rate increased to 7.82 percent when Actlabs completed testing of the check pulps and the CRMs provided to them.</li> </ul>
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> <li>Sampling and assay data were analysed alongside samples to verify the accuracy and precision of the data and to identify any potential discrepancies. RESPEC used two sets of lithium standards, two blank pulps, and one coarse-grained blank from naturally occurring geologic materials. Field duplicates and submission of selected samples to a second laboratory was also employed.</li> </ul>
<i>Location of data points</i>	<ul style="list-style-type: none"> <li>All drill hole collars were accurately surveyed. All holes were drilled vertically, and down-hole surveyed to ensure excessive drill hole deviation did not occur and that the three-dimensional coordinates of samples could be determined accurately.</li> <li>All data are in UTM Zone 11 NAD83 coordinates in metres.</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>Drill holes have been drilled on an uneven grid pattern that defines broadly spaced west-east liners. The average drill hole spacing at present is 700 m to 1,000 m, with wider-spaced drilling remaining, particularly in the southern portion of the project area.</li> </ul>

Criteria	Commentary
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li>Vertical drill holes are oriented near-perpendicular to relatively flat-lying mineralized zones forming the deposit.</li> </ul>
<i>Sample security</i>	<ul style="list-style-type: none"> <li>Chain-of-custody forms were completed by RESPEC to document and record information regarding the transfer of materials, location of samples, analytical tests requested to be performed by the laboratory, and final destination of pulps and coarse rejects.</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li>No independent review of the project has been completed. The NI 43-101 report (Stirrett &amp; Hemstad, 2023) includes reviews conducted by senior RESPEC staff not directly involved with the project. The current CP has not conducted any detailed review or audit but will be conducted as soon as possible.</li> </ul>

### Section 3: Estimation and Reporting of Mineral Resources

Criteria	Commentary
<i>Database integrity</i>	<p>Pan American's database was subjected to a series of basic logic tests by RESPEC (Stirrett &amp; Hemstad, 2023) upon loading into the modelling software. Validation tests were conducted to identify the following:</p> <ol style="list-style-type: none"> <li>Collars with missing depths, missing coordinates, switched or duplicated coordinates</li> <li>Surveys with depths greater than TD or with inappropriate readings (azimuths above 360° or below 0°; dips outside -90°)</li> <li>Assays with incorrect from and to intervals, excessively large or small assay intervals, assay intervals greater than TD, and gaps and overlaps in assay intervals</li> <li>Geology with incorrect from and to intervals, excessively large or small geologic intervals, geologic intervals greater than TD, and gaps and overlaps in geologic intervals</li> </ol> <p>When minor data integrity issues were found, they were evaluated and corrected, if warranted, in the modelling database.</p> <p>The Competent Person has yet to independently confirm the conclusions reached by RESPEC but considered the approach described by RESPEC to be technically sound.</p>
<i>Site visits</i>	<p>One of the two of RESPEC's QP's visited site for two days to review geology and drilling procedures, inspect drill sites and discuss current drilling, core sample handling procedures, and geological conditions with drilling personnel and RESPEC field personnel. The other QP performed an extended visit at the Property over 9 days in February and March 2023. During this time, they inspected drilling operations and monitored activities at the core processing facility in Tonopah, Nevada. These</p>

Criteria	Commentary
	<p>activities consisted of supervision during core recovery and transportation, inspection of all drilling locations to include spot verification of select claim stake markers, geologic logging and assay sample preparation, chain-of-custody fulfillment, coordination with ALS that included a laboratory visit and inspection, and geologic database construction and oversight. The Competent Person for this statement has not completed a site visit at this time.</p>
<i>Geological interpretation</i>	<p>Lithium mineral domains were interpreted in a 3D modelling software package using the lithium drillhole assay data and associated lithologic codes, as well as cross-sectional lithological interpretations. The geological information was used to discern the stratigraphic controls of the mineralization and to model the domains accordingly using a set of vertical, 450 m spaced, north-to south cross sections that span the extent of the Property. The final cross-sectional mineral domain polygons were projected to the drill data within and perpendicular to each sectional window, and these 3D polygons were used to model the domain solids.</p>
<i>Dimensions</i>	<p>The Mineral Resource estimate model dimensions are not documented in Stirrett &amp; Hemstad, (2023). Plans show that drilling has been completed within an approximately 6 x 6 km area. The Property mineral resource block model and an initial resource tabulation were completed on November 15, 2023, based on data derived from 20 holes drilled through July 2023.</p> <p>Based on a discussion on September 3, 2024, the RESPEC's QP's confirm that the dimensions of the pit-constrained Mineral Resources are approximately as follows, the length is 6,370 m, width is 3,220 m and the depth is 358 m.</p>
<i>Estimation and modelling techniques</i>	<p>RESPEC produced a three-dimensional (3D) digital geologic model based on downhole lithologic data and the regional surface geology map from Bonham and Garside [1979].</p> <p>Three grade populations for lithium were identified. Ideally, each of the populations can be correlated with specific geologic characteristics from the drillhole logging in the Property database. These characteristics can be used in conjunction with the grade populations to interpret the bounds of the lithium mineral domains. The approximate grade ranges of the low-grade (domain 100), mid-grade (domain 200), and high-grade (domain 300) domains.</p> <p>The lithium mineral domains were interpreted in a 3D modelling software package using the lithium drillhole assay data and associated lithologic codes, as well as cross-sectional lithological interpretations. The geological information was used to discern the stratigraphic controls of the mineralization and to model the domains accordingly using a set of vertical, 450 m spaced, north-to south cross sections that span the extent of the Property. The final cross-sectional mineral domain polygons were projected to the drill data within and perpendicular to each sectional window, and these 3D polygons were used to model the domain solids.</p> <p>Drillhole assays were coded by the lithium mineral domains using cross-sectional polygons. Inspection of population-distribution plots of the coded assays by domain was done to identify high-grade outliers that might be appropriate for capping. Descriptive statistics of the coded assays by domain and visual reviews of the spatial relationships of the possible outliers and their potential impacts during grade interpolation were also considered to determine assay caps. Assay caps were determined to be unnecessary for the resource estimation except for assays outside modelled domains, which were capped at 100 ppm lithium.</p>

Criteria	Commentary
	<p>In addition to the assay caps, restrictions on the search distances for composites above relatively higher grades were applied to low- and mid-grade domains during grade interpolations.</p> <p>The Property mineral resource was modelled and estimated within a single block model. The project block model extends beyond the current Property land holdings; however, only those model blocks within the land position were included in mineral resource tabulations.</p> <p>The 3D domain solids were used to code a block model with 30 × 30 × 10 m (x, y, z) blocks and a bearing of 0 degrees (i.e., no rotation). The volume percentages of each lithium domain were stored in each block (partial percentage coding). The block model was also coded using the topographic surface and lithologic unit solids.</p> <p>Lithium grades were interpolated into the block model using inverse distance and nearest neighbour methods. The mineral resources reported herein were estimated by ID2 because this method produced results that most appropriately respected the assay data. The nearest neighbour estimation was completed for the purpose of statistically checking the ID2 estimate.</p> <p>Estimation passes were performed independently for each mineral domain, as shown in Table 14-8. The first estimation long pass ensured that blocks at the outer extents of the domains were populated. The second estimation short pass was applied within the drilling limits, and tighter anisotropy and grade restrictions were used to match the drill data more closely. Blocks estimated beyond short pass distances were not classified as inferred mineral resources or above. The estimated grades and partial percentages of the mineral domains were used to calculate the weight-averaged lithium grades for each block. Grades and percentages outside modelled domains were included in the calculations to produce fully block-diluted grades.</p>
<i>Moisture</i>	Estimates were developed on a dry basis.
<i>Cut-off parameters</i>	<p>Three grade populations for lithium were identified in statistical analysis of sampling data performed by the RESPEC Qualified Persons. Ideally, each of the populations can be correlated with specific geologic characteristics from the drillhole logging in the Property database. These characteristics were used in conjunction with the grade populations to interpret the bounds of the three interpreted lithium mineral domains.</p> <p>The Mineral Resource was reported at a 300 ppm Li cutoff grade. To evaluate grade distribution and sensitivity, resources were also assessed at various cutoff grades up to 800 ppm Li, all within the same optimized pit used for the reported Mineral Resource.</p>
<i>Mining factors or assumptions</i>	<p>No mining factors or assumptions were applied during Mineral Resource estimation and reporting.</p> <p>A Lerch Grossman optimized open pit shell was used to limit the reporting of Mineral Resources above the selected cut-off grade based on proposed mining revenue, recovery and cost assumptions. The use of the pit shell developed by RESPEC is solely to delineate mineralisation that may have reasonable prospects for eventual economic extraction and makes no inferences relating to the economic mineability of mineralisation.</p>

Criteria	Commentary
<i>Metallurgical factors or assumptions</i>	<p>No metallurgical factors or assumptions were applied during Mineral Resource estimation and reporting.</p> <p>The results from pit optimization are used solely to test for “reasonable prospects for economic extraction” and do not represent an attempt to estimate mineral reserves. There are no mineral reserves on the Horizon project. The results are used as a guide to assist in preparing the mineral resource estimate and selecting an appropriate resource reporting cutoff grade.</p>
<i>Environmental factors or assumptions</i>	No environmental factors or assumptions were applied during Mineral Resource estimation and reporting.
<i>Bulk density</i>	The database contains 47 specific gravity measurements from core samples taken during Pan American’s drill program. RESPEC staff were responsible for collecting density analyses using ASTM Method C914 (water immersion with wax coating).
<i>Classification</i>	<p>Mineral Resources have been classified as Indicated and Inferred according to principles outlined in the CIM Definition Standards (CIM, 2014). The Inferred classification is limited to blocks within 2,400 metres of the drillholes. Any estimated blocks which did not meet the inferred criterion were not classified and, therefore, were not reported as mineral resources. Any estimated blocks within 200 meters of at least one sample in the drill data were upgraded to Indicated classification. The Property’s Mineral Resource classification is based on the confidence in the underlying data and reflects the lower variability of grades over distance for deposits of this type. The drilling and sampling of drillholes has provided a positive initial understanding of flat-lying geologic controls within the Siebert Formation on lithium mineralization and reduced the risk of sample contamination.</p> <p>Uncertainties that could impact resource classification include potential for additional unknown barren sedimentary and tuffaceous beds, faults offsetting or truncating lithium mineralization, potential for additional density samples to significantly alter bulk density assumptions, and lack of metallurgical data. Additional drilling and sampling, metallurgical test work, and more detailed geological and mineralization modelling are required to allow for higher classification of the project’s mineral resource.</p>
<i>Audit or reviews</i>	No Mineral Resource audits or reviews have been completed. This work is in plan by Chariot and Mustang.
<i>Discussion of relative accuracy/confidence</i>	The maiden Mineral Resource for the Horizon project is an Indicated and predominantly Inferred estimate that should be expected to be refined by additional geological, grade, mineralogical and geometallurgical data as resource evaluation of the project results in greater data availability. The estimation techniques employed will also evolve as more information relating to spatial variability of both mineralisation distribution and grade is acquired. Existing data, however, supports the presence of a significant resource warranting further evaluation.