

23 February 2024

GE21 GEOLOGICAL TEAM ENGAGED TO COMMENCE RECONNAISSANCE EXPLORATION ACROSS RECENTLY ACQUIRED BRAZIL RARE EARTHS, IONIC CLAYS, LITHIUM AND NIOBIUM PROJECTS

- Contract for geophysics and AI mineral assemblage analysis across 25 licences - mapping and sampling on subsequent priority targets to be undertaken
- TREO, ionic clays and lithium bearing pegmatite targets in southeastern Minas Gerais state and Goiás for Niobium
- GE21 is a well established geological exploration consulting group with Artificial intelligence mineral discovery technology – current clients include Anglo American, BHP Billiton, Sigma Mineração and Ausenco.

Patagonia Lithium Ltd (ASX:PL3, Patagonia or Company) is pleased to advise that it has signed a contract with GE 21 Group to acquire geophysics data and delineate targets for rare earth minerals, lithium and niobium with projects in southeastern Minas Gerais state and Goiás State, Brazil. The Company recently acquired five projects in Brazil focussed on carbonatites and ionic clays for rare earths, pegmatites for lithium and in nelsonites (micas) closely associated with dolomite carbonatites for Niobium.

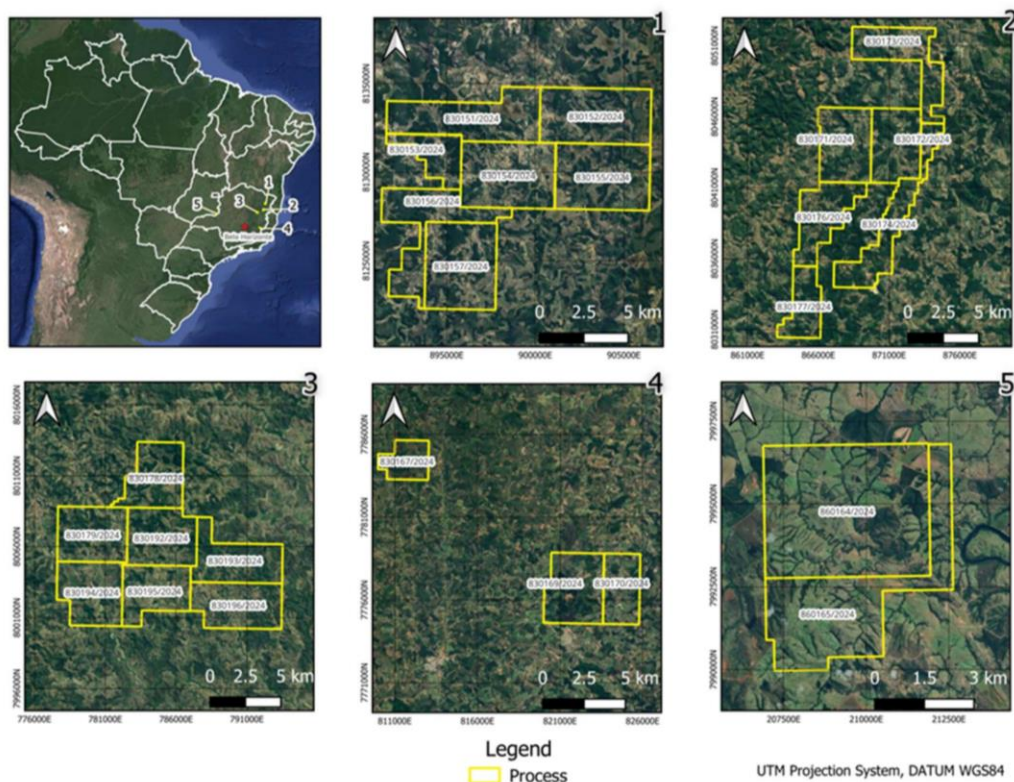


Figure 1. Location map and detailed maps of the five areas being explored

Capital structure

58.6m - PL3 shares

5.5m - unquoted options

14.6m - PL3O quoted options

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Board

Phil Thomas - Exec Chair

Rick Athon - NED

Gino D'Anna – NED

Sam Qi - NED

Jarek Kopias - Co Sec

The program will span a two-month period plus field work sampling on the priority targets. The program involves the acquisition and processing of LANDSAT, Sentinel 1, ASTER scenes, pre-processing, spectral analysis, evaluation/prioritization of results and the evaluation and processing of geophysical data. The processing will also involve advanced data analysis techniques, considering processes based on machine learning (Artificial Intelligence) and/or weight and evidence (weight of evidence). All images integrated and worked by GE21 will be peer reviewed by PL3 geologists.

Some of the data being accessed in the first phase includes:

- Satellite image(s) (mostly free with high quality resolution);
- Topographies of the areas in MDE (Alos Palsar – 12.5 meters) (high resolution);
- Reports and databases provided by PL3's previous research and desktop analysis;
- Local geological maps (high resolution);
- Master exploration plan with exploration priority of rare earths, ionic clays carbonatites and pegmatites;
- Geophysical surveys (purchased from Minas Gerais geological survey);
- Data from CPPLL, Codemge/Codemig, Metago, and other projects publicly available;
- Spatial database of areas with environmental impediments (preservation areas, parks, etc.); and
- Updated base of ANM tenements and notice when they have been awarded.

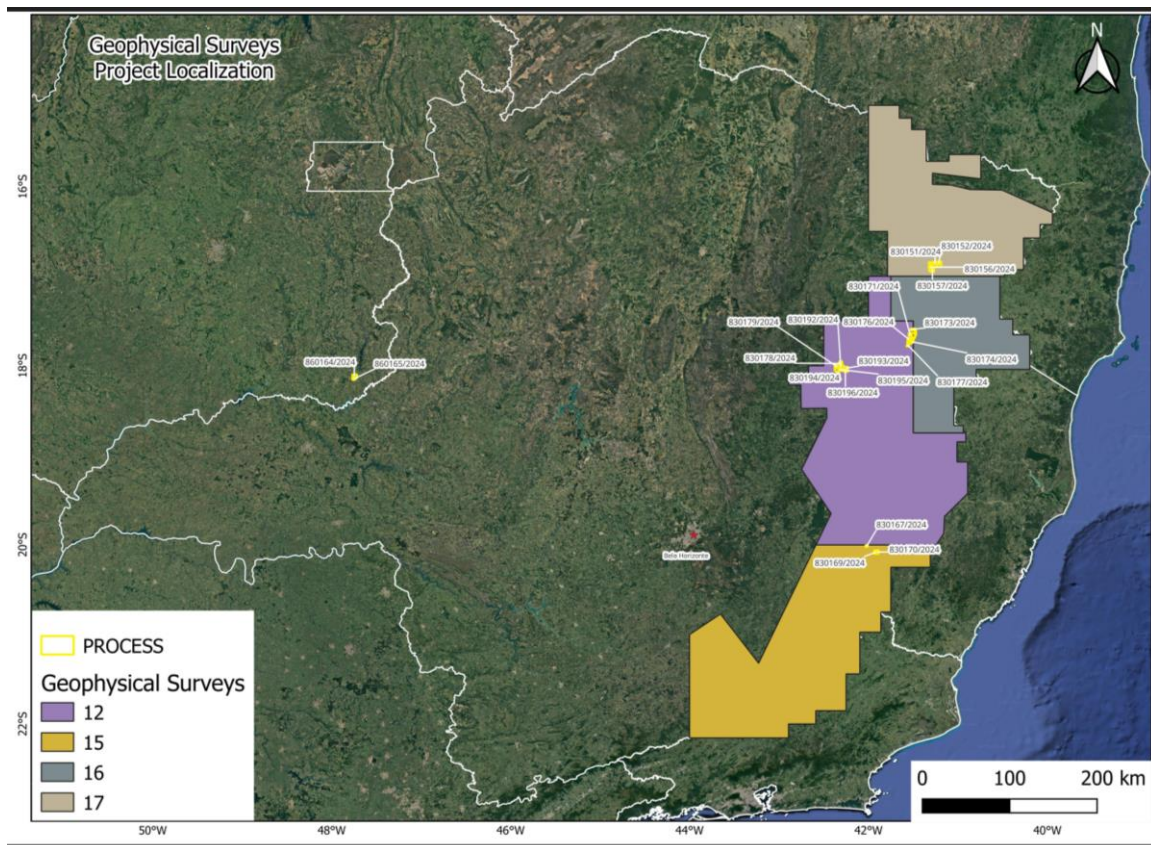


Figure 2. Map of the geophysics (magnetic and gravity) being purchased in Minas Gerais state.

Our first review meeting is scheduled for 26 March 2024 in Belo Horizonte, Brazil.

Phil Thomas, Executive Chairman commented "Getting a well-researched, compelling exploration field program is the Company's short term objective in this phase to identify prospective locations for sampling these highly prospective Brazilian assets when granted. Leveraging the geological, AI and regulatory skills and knowledge of our local Brazilian consulting group GE21 is expected to result in rare earth, niobium and lithium exploration results with positive news flow in the short-term.

In addition, PL3's Formentera lithium brine project is due to complete drill hole preparations with the first drill pad being installed during the week commencing 26 February 2024. This maiden drill program is targeting those areas of low resistivity, and we look forward to some exciting results to correlate lithium concentration to geophysics values.

He also noted that while the lithium carbonate price is around US\$13,500 in February 2024, Adamas Intelligence*, a Canadian researcher, recently wrote that of all passenger vehicles sold in 2023, globally, over 19.2 million EVs, including plug-in and conventional hybrids, were registered globally last year, 4.6 million more than in 2022. 23% were EVs and data recently published by JATO Dynamics shows that 2023 EV sales for Europe were up ~30% in 2022, or 16% of total passenger vehicle sales in 2023. While lithium carbonate demand has temporarily abated this trend should continue to the end of the decade also creating demand for rare earths."

* <https://www.adamasintel.com/global-ev-industry-breaks-records/>

Authorised for release by the Board of the Company.

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Our socials – [twitter@pataLithium](#), [Instagram](#), [facebook](#), [pinterest](#) and [youtube](#)

About Patagonia Lithium Ltd

Patagonia Lithium has two major lithium brine projects – 1,951 Has at Formentera/Cilon in Salar de Jama, Jujuy province and Tomas III at Incahuasi Salar in Salta Province of northern Argentina in the declared lithium triangle. It has also applied **for 41,746 Has** of concessions exploring for **ionic REE clays and carbonatites, niobium, and lithium in pegmatites**. The Company has applied for five exploration concession packages.

Since listing on 31 March 2023, surface sampling and MT geophysics have been completed in preparation of an upcoming drill program at Formentera, and MT Geophysics at Tomas III that was very prospective. In July 2023, a 13 hole drill program was submitted for approval which was granted in January 2024. Samples as **high as 1,100ppm lithium** (2 June 2023 announcement) were recorded at Formentera and resistivity values as low as 0.3 Ω .m were recorded during the MT Geophysics survey at Formentera making the project highly prospective. The Company confirms it is not aware of any new information or data that materially affects the information in this announcement.