

1 May 2025

THREE BOREHOLE NUCLEAR MAGNETIC POROSITY TESTS TO UPGRADE MRE ESTIMATE AT FORMENTERA LITHIUM BRINE PROJECT, ARGENTINA

- Wells 1, 3 and 4 are being surveyed using nuclear borehole magnetic resonance technology ("NMR") to determine porosity at mm intervals to the end depth of each well.
- The **high correlation** between the cores tested in Perth Australia and the gamma porosity measurements will be compared.
- The maximum total porosity measured by core sample analysis was **42%**. Due to lack of NMR data, a value of **4%** was used in the Company's maiden Mineral Resource Estimate ("MRE") in January 2025.
- **WSP** has been contracted to **update the MRE** once they receive the new NMR data.

Patagonia Lithium Ltd (ASX:PL3, Patagonia or Company) is pleased to announce the completion of the NMR survey expected this week that will measure, with greater accuracy, the exceptional porosity and deep aquifer encountered in wells 1, 3 and 4. Well One recorded a lithium concentration of 580ppm lithium.



Figure 1. Permanent magnet and antenna are lowered into a borehole to record the response of the nuclear magnetisation associated with hydrogen nuclei in the pore fluids (eg. groundwater) of the formation.

Capital structure

119.4m - PL3 shares
14.6m - PL3O quoted options
13.2m - unquoted options
2.0m - unquoted performance rights

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Board

Phil Thomas - Exec Chair
Rick Anthon - NED
Pablo Tarantini - NED
Jarek Kopias - Co Sec

Phillip Thomas, Executive Chairman, commented “These NMR porosity results will have a **substantial implication for the Mineral Resource calculation update**. This work is very strategic for the Company and lays the foundation for production hydrology. The Sy (specific yield) value is the drainable value which in well two was excellent at average 13% (24% from cores sampled) with a maximum of 50%.”



Figure 2. Checking that the NMR gamma, resistivity, porosity, temperature data has been collected.

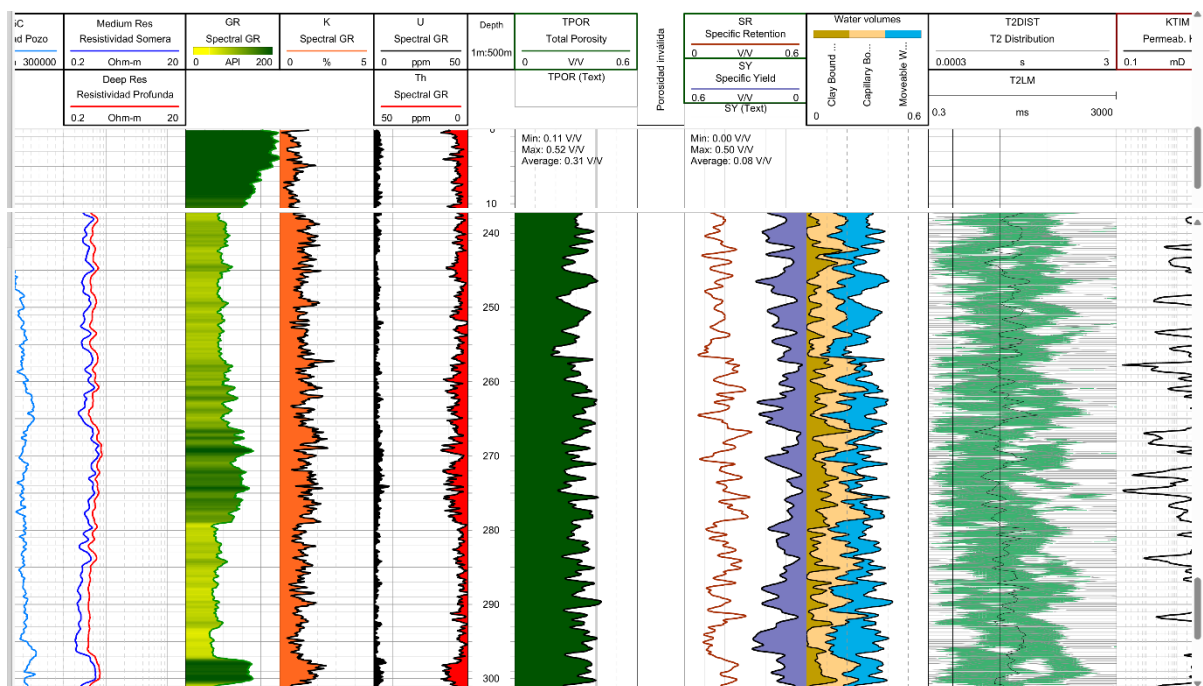


Table 1. Summary of core test results from well two in 2024. Total porosity in dark green, with a range from 30-45%. The gray line in the total porosity column is at 45%. Moveable water is very high (in aqua). Specific yield is the crimson line which is used in the MRE calculations.

Milestones

Our next milestones are:

- Process the NMR data from wells 1, 3 and 4 and interpret the hydrology;
- Receive the updated MRE report from WSP Australia and release updated MRE;
- Arrange for the drill crew and rig to drill 600m well 5 at Cilon near the 1,122 ppm surface sample that was recorded;
- Finalise the permit for the 1,000 tonne Ekosolve™ DLE plant;
- Drill a production well between wells one and two with a target to pump; approximately one megalitre of brine per day (to produce 1,000 tonnes of Lithium Carbonate), and
- Finalise the waste brine disposal in the lagoon and or evaporation area.

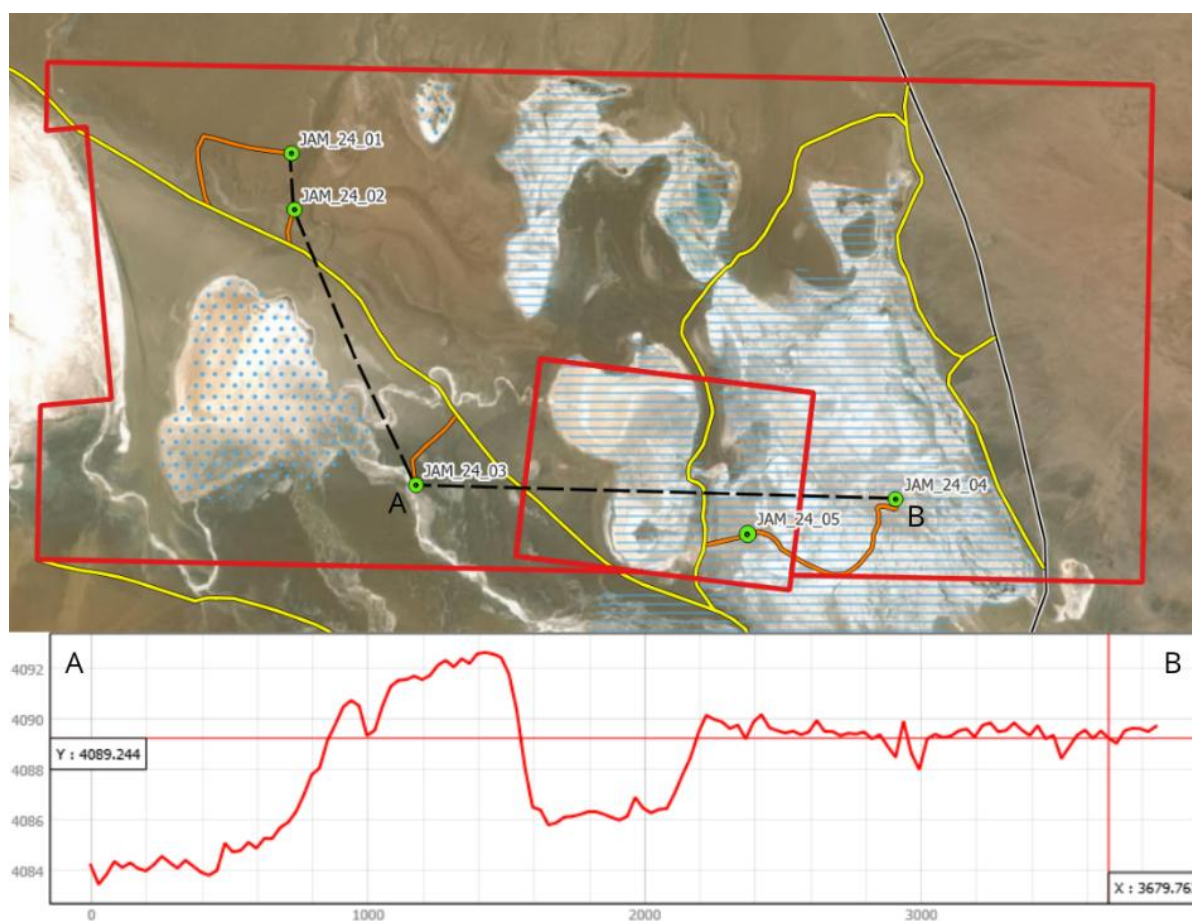


Figure 3. Drill hole location and altitude profile

Authorised for release by the Board of the Company.

For further information please contact:

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About Patagonia Lithium Ltd

Patagonia Lithium (ASX:PL3) has two major lithium brine projects – 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. The maiden MRE was estimated at an inferred value of in-situ 717,000 tonnes of lithium metal which when converted to **Lithium carbonate equivalent is 3.8 million tonnes**.

The Company has been granted 25 concessions covering **41,760 Has** and is exploring for **ionic REE clays, Niobium, and lithium in pegmatites**. The Company has five exploration concession packages granted in Minas Gerais, Mato Grosso and Goiás states in Brazil.

Since listing on 31 March 2023, surface sampling and MT geophysics have been completed, drill holes JAM 24-01, 24-02, 24-03 and JAM 24-04 have been completed. Progress to date has been exceptional as measured by lithium assays. The MT Geophysics at Tomas III on Incahuasi salar is very prospective. In July 2023, a 10 hole drill program was approved for Formentera and a eight well program for Cilon. Samples as **high as 1,100ppm lithium** (2 June 2023 announcement) were recorded at Formentera and a Lithium value of **591ppm in well JAM 24-01** (Outstanding Assay Results from First Drilling in Argentina released on 3 May 2024). Very low resistivities were recorded to more than a kilometre depth during the MT Geophysics survey at Formentera.

The Company confirms it is not aware of any new information or data that materially affects the information as referenced in this announcement and all material assumptions and technical parameters underpinning the MRE continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's finding are presented have not been materially modified from the original announcement.

Referenced results:

Sampling at Formentera and Cilon Assays 1,122ppm Lithium	2 June 2023
MT Geophysics Defines Significant Prospective Drill Targets	15 June 2023
Geophysics Generates Significant Prospective Drill Targets	4 July 2023
92% Lithium Extraction from Formentera Brines	12 September 2023
99.9% Lithium Carbonate Produced from Formentera Brines	16 October 2023
Completion of First Hole at Formentera Lithium Project	5 April 2024
Completion of First Hole at the Formentera Lithium Project	16 April 2024
Successful Pump Test at Maiden Formentera Project Well	24 April 2024
Outstanding Assay Results from First Drilling in Argentina	3 May 2024
Assay Results from Drilling in Argentina	15 May 2024
Second Well at Formentera Completed	29 May 2024
Exceptional Results Achieved from Well Two at Formentera	18 June 2024
Strong Brine Flow - Well Three Formentera Lithium Project	14 August 2024
Strong Results Achieved from Well Three at Formentera	11 September 2024
High Porosity Results Achieved from Well Two at Formentera	16 September 2024
Outstanding Result Achieved from Well Three Pump Test	18 September 2024
Well 3 Cores Sent for Porosity Testing	19 September 2024
Well Four Completed at Formentera	17 October 2024
Outstanding Results from Well 4 Pump Test	18 November 2024
Excellent Result achieved from Well Three Porosity Core Test	3 December 2024
Outstanding Borehole Porosity Test Results at Formentera	5 December 2024
Outstanding Porosity Result from Well 4 Pump Test	18 December 2024
Significant Maiden Lithium Mineral Resource	22 January 2025
Drill hole Porosity Environmental Testing Completed	25 March 2025