15 May 2025

OUTSTANDING 44% MAXIMUM POROSITY AND 32% SPECIFIC YIELD BOREHOLE NUCLEAR MAGNETIC SURVEY AT JAM 24-01 FORMENTERA LITHIUM BRINE PROJECT, ARGENTINA

- Well 1 (JAM24-01), in the southwest section of the Formentera concession near the proposed plant location, drilled to a drilling depth of 376m, was surveyed with an **NMR tool and recorded a maximum total porosity of 44%** and **specific yield of 32%**.
- **Average total porosity was 28%** and **average specific yield porosity of 9%** that is consistent with the value used in the maiden Mineral Resource Estimate of 717,000 tonnes lithium metal equivalent in-situ.
- **Four aquifer zones** were delineated using capillary porosity and free water flow – which increases substantially at 220m to 360m, a substantial aquifer over 140 metres depth.

Patagonia Lithium Ltd (ASX:PL3, Patagonia or **Company)** is very pleased to announce receipt of the completed Nuclear Borehole Magnetic Resonance (**NMR**) survey for JAM 24-01 (well 1). Results for porosity and specific yield were excellent given the high lithium values assayed during packer tests.

		POROSITY % (TPOR)		**SPECIFIC YIELD % (SY)**	
Zone	Interval M's	MAXIMUM	AVERAGE	MAXIMUM	AVERAGE
1	34-110	44	31	32	7
2	110-140	42	26	21	9
3	140-220	41	27	24	6
4	220-364	28	28	12	12

Table 1. Porosity and specific yield values for the four zones surveyed.

Phillip Thomas, Executive Chairman, commented "*These NMR porosity results **are excellent** and reflect the high porosity zone delineated in the Mineral Resource Estimate. Sustaining pump rates of 2,500L/hour and high porosity at well 1 and 2 demonstrates the production scope at this location as wells 1 and 2 are only 300m apart. The NMR survey has confirmed the high porosity from 140m to 220m. The Sy (specific yield) value is the drainable value which is excellent at an average of 9% (24% from cores sampled) with a maximum of 32% in zone one. This data is good news **for the forth coming Mineral Resource calculation.***"

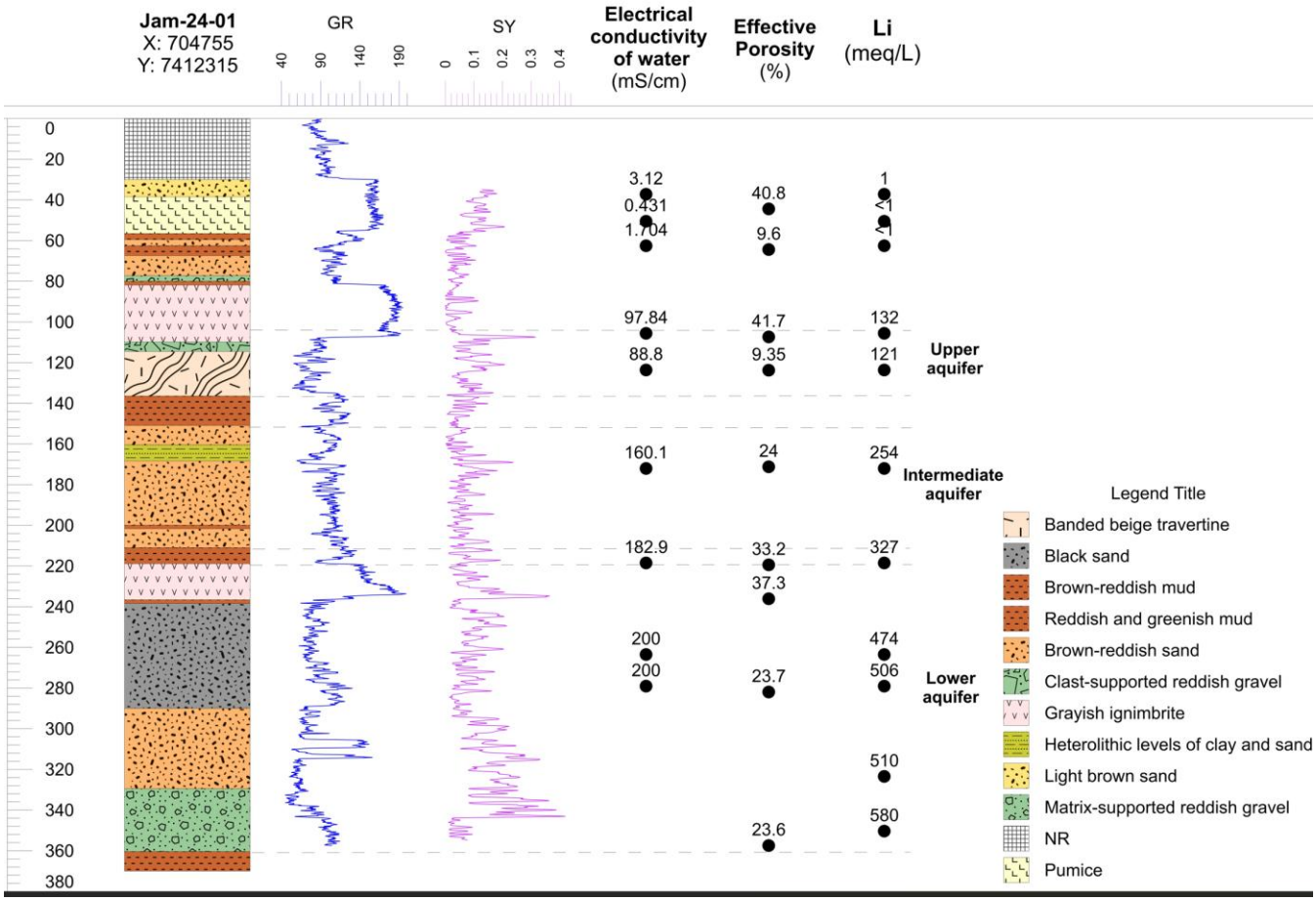

Figure 1. Vertical scale in metres. Three aquifer zones delineated by specific yield- the average value of total porosity (TPOR) and specific yield (SY) is 28% and 9% respectively throughout the entire recorded interval.

The NMR survey included parameters of well fluid conductivity and temperature, formation resistivity measurement, natural radioactivity of the formation (total Gamma ray) and contributions of K, Th, U., sediment/rock fluid with nuclear magnetic resonance using time echo spacing of 800 microseconds.

Assays

JAM 24-01

Zone - SGS	Sample No	from	to	Interval	SG	Lithium	Magnesium	Mg:Li ratio	Boron	Potassium	Conductivity	pH	TDS	Flow rate
		M	M	M	g/ML	ppm	ppm		ppm	ppm	uS/cm		mg/L	L/Min
ground water	1	30.00	44.5	14.5	0.999	**<10**	<10	1.00	13	40	4,501	6.8	1,767	1.66
	2	44.50	56.5	12.0	0.999	**<10**	<10	1.00	<10	<10	439	7.7	667.0	8.0
	3	56.50	68.5	12.0	0.999	**<10**	<10	1.00	<10	24	4,659	7.6	1,133	11.76
	4	Blank - distilled water			0.999	**<10**	<10	1.00	<10	<10	261	8.7	400	
transition zone	5	104.5	106.7	2.2	1.053	**110**	682	6.20	279	1,292	91,670	7.3	75,267	14.28
	6	122.5	124.7	2.2	1.075	**99**	594	6.00	256	1,226	69,200	6.9	66,833	11.11
sands, gravels	7	170.5	173.5	3.0	1.094	**237**	842	3.55	354	2,906	149,800	7.1	139,250	5.71
aquifer zone	8	duplicate of 7		3.0	1.094	**235**	832	3.54	353	2,880	149,600	7.1	137,250	
	9	215.5	221.5	6.0	1.114	**316**	927	2.93	372	3,221	170,400	7	165,900	3.44
	10	260.5	266.5	6.0	1.159	**485**	923	1.90	460	4,144	205,700	7	237,450	2.38
	11	278.5	279.7	1.2	1.172	**502**	910	1.81	488	4,398	209,600	6.9	258,150	3.9
	12	Standard - A300			1.219	**94**	592	6.30	590	1,593	290,900	1	315,500	
lower aquifer	13	317	329.5	12.0	1.188	**539**	964	1.79	525	4,452	213,300	6.8	277,200	7.14
gravels, sands	14	339.5	361.2	21.7	1.186	**591**	879	1.49	522	4,190	219,500	8.9	281,350	7.4
		EOH	370.0											

Table 2. SGS Laboratory assays of lithium from Well 1 showing increasing lithium value with depth to 591ppm lithium.

Given well JAM 24-01 and JAM24-02 have the highest porosity and lithium assays, it is the ideal location to put in a production well.

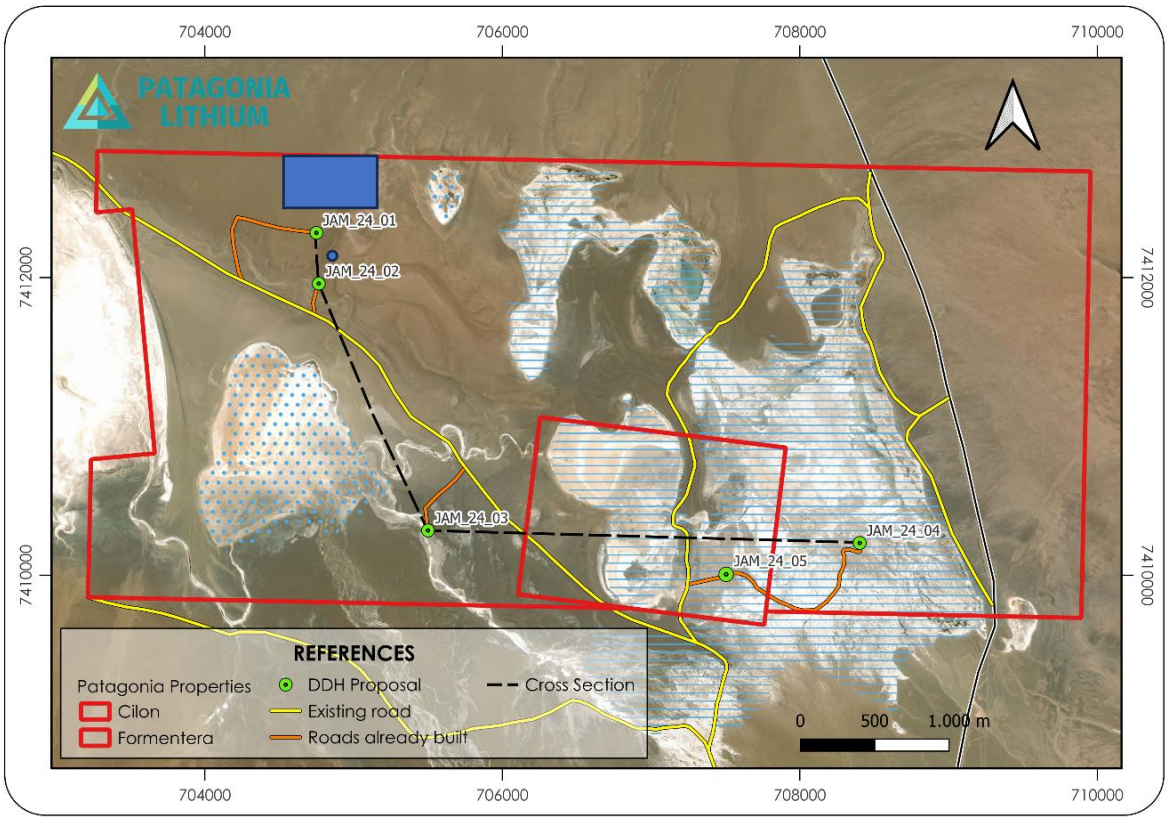

Figure 2. Map of Formentera and Cilon and well locations. Blue dot shows production well location. Blue square is proposed 1,000 tonne lithium carbonate plant location.

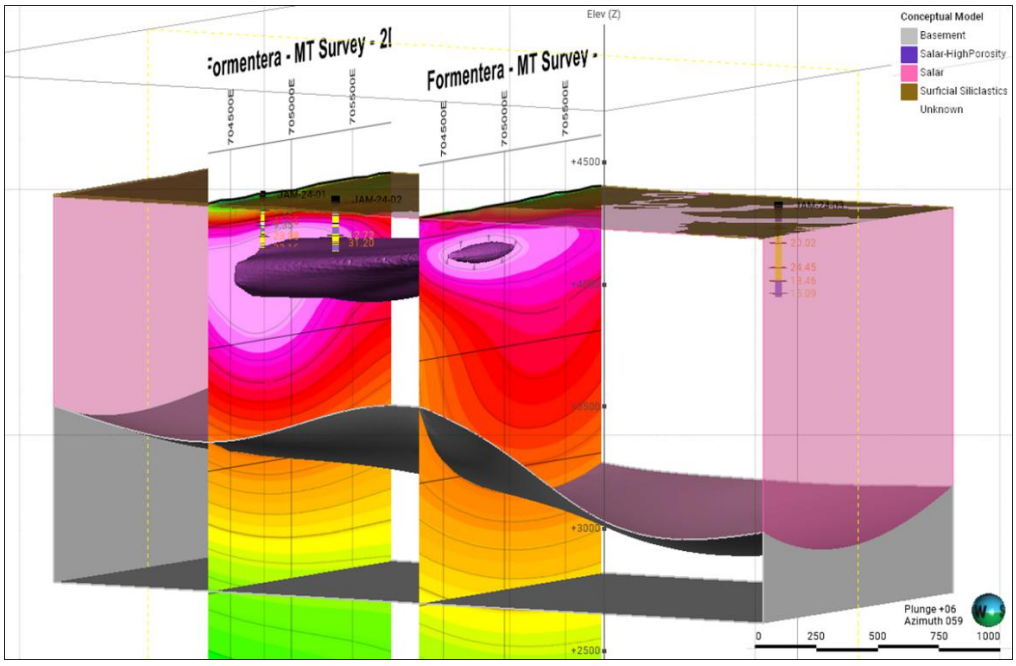

Figure 3. Section showing the modelled high porosity zone with 2D MT survey sections.

Well Identification details – JAM 24-01
Collar: N7412264 E704792 UTM zone 19S
Dip: -90 degrees
Azimuth: 0 degrees
Depth: – 360m

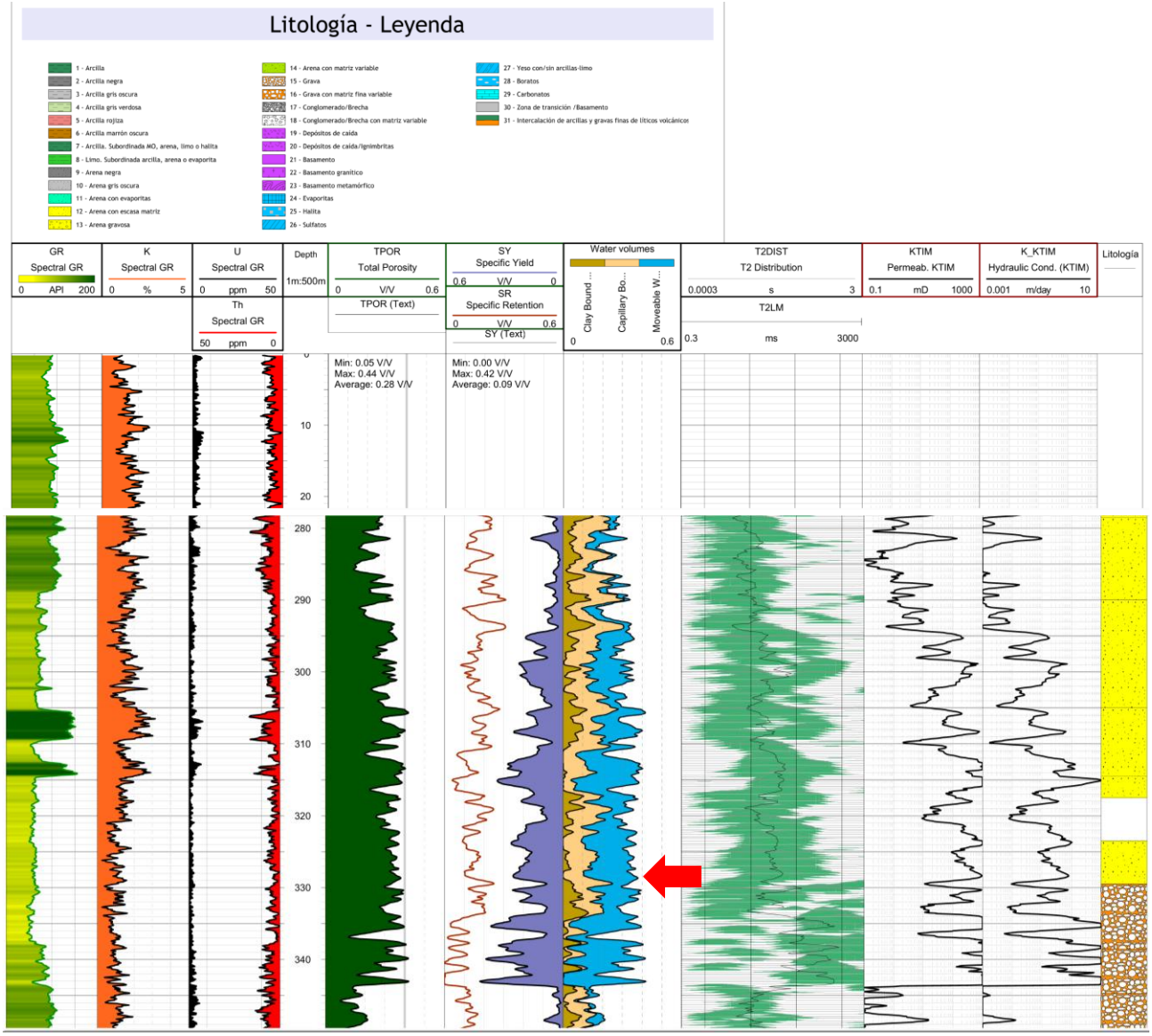

Figure 4. NMR Traces show high capillary and total free flow (blue and beige zones) within the sandstone

Authorised for release by the Board of the Company. For further information please contact:

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About Patagonia Lithium Ltd

Patagonia Lithium 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. It has also been granted **41,746 Has** of concessions of which all twenty five have been granted where we are exploring for **ionic REE clays, Niobium, Antimony and lithium in pegmatites**. The Company has five exploration concession packages.

Since listing on 31 March 2023, surface sampling and MT geophysics have been completed, drill holes JAM 24-01,24-02, 24-03 and 24-04 completed. Progress to date has been exceptional as measured by lithium assays and pump tests. 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 three well program for Cilon has been approved. 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.

Competent Person Statement

The information in this announcement that relates to exploration results is based on, and fairly represents information compiled by Phillip Thomas, MAIG FAusIMM, Technical Adviser to Patagonia Lithium Ltd and is Executive Chairman, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Thomas has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he has undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Thomas consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

The Company confirms it is not aware of any new information or data that materially affects the information in this announcement and material assumptions and technical parameters underpinning the Mineral Resource Estimate 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. The Mineral Resource Estimate was announced on 22 January 2025 as "Significant Maiden Lithium Mineral Resource".

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information*	• Diamond drilling was used to drill to 370m. The core recovery was greater than 95%. An Atlas Copco Boyles C5C track-mounted diamond drill drilling HQ diameter and a tri-cone head drilling 6 inch diameter was used. • Five one litre brine samples using a single packer air lift system was used to obtain samples from 5 depths at 120, 170, 220, 280 and 360m across a 5m interval. • Samples were tested for conductance in micro siemens with a YY-1010 meter. The meter was calibrated prior to use with fresh standards. It has a maximum value of 200 ms. • Sediments were logged for fineness and clay content. No target minerals were encountered such as lithium carbonate or lithium chloride crystals. • All holes were drilled vertically and had an azimuth of zero. • An EC-PCTestr35 was used to measure pH, conductivity and temperature for comparison purposes. • Packer testing was able to extract more than 5 litres of brine at each point in the well, and the low pressure created by the well evidenced brines flowing into the well from surrounding lithologies as described in the sectional well log. • The NMR tool was used to measure gamma, total porosity and specific yield down the well.
Drilling techniques	• *Drill type (eg core, reverse circulation, open- hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• An 83mm bit (HQ) was used with triple tube to drill the well and 3 metre long rods. A packer tool was lowered and samples taken at the nominated intervals.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Brine samples were collected at each point relative to the porosity of the lithological unit intercepted and flow of brines when core was extracted. Two A samples were taken and stored, two B samples stored securely and one back up sample retained. • Brine quality is not related to the quality of core samples. The porosity, transmissivity and permeability of the lithologies where samples are taken influences the rate of brine inflow and brine characteristics. • Drilling is required to determine the flow characteristics of the underlying aquifers, whereas interpolated ICP analysis tests for lithium concentrations from the brine samples.
Logging	*Whether core and chip samples have been geologically and geotechnically*	• All core was logged by two geologists and the CP geologist.

Criteria	JORC Code explanation	Commentary
	logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• The sediments were analysed for grain size where they were sandstone, consolidated and unconsolidated clays, limestone units that showed some secondary crystallisation, and the lower conglomerate/gravel units. • 100% of the core retrieved was logged. On the 370m depth well approximately 5% was lost to brine flow was unconsolidated sediments.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Brine samples were collected by sampling the packer airlift of brine which was approximately 10 litres per lift and bottles A and B were filled from each lift with the objective of getting the brine sample from the same aquifer region in the well to avoid sampling systemic error. • Duplicate sampling is undertaken for quality control purposes. Five duplicates were taken, and a blank (distilled water and two standards were also provided to SGS laboratories/Alex Stewart laboratories for analysis. The lithium standards were C100 – 100ppm lithium and C300 – 254ppm lithium in solution.
	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• The SGS laboratory was used for analyses and is also certified for ISO/IEC Standard 17025:2017. Alex Stewart is also certified for ISO/IEC Standard 17025:2017 • Security control was kept with each bottle being taped closed and contained in a locked chest which was opened by SGS staff/Alex Stewart staff on delivery as part of the chain of custody protocol.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Field duplicates, standards and blanks are used to monitor potential contamination of samples and the repeatability of analyses.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in*	• The survey locations were located using handheld GPS with an accuracy of +/- 5m. • The grid System used is POSGAR 94, Argentina Zone 3

Criteria	JORC Code explanation	Commentary
	Mineral Resource estimation. • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Topographic control was obtained by handheld GPS • The topography is flat.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Brine samples were collected within the hole based upon the depth required to access brines. • The wells proposed in the next stage of drilling are all with 500m of each other. Block modelling to measured resource estimate given these are basin flat lysing sediments can be approximately 1km apart.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• The brine concentrations being explored for generally occur as sub-horizontal layers and lenses hosted by conglomerate, sand, halites, silt and/or clay. Vertical diamond drilling is ideal for understanding this horizontal stratigraphy and the nature of the sub-surface brine bearing aquifers. • Surface sampling allows us to determine the presence of lithium and other minerals such as boron and presence of anions eg. Ca, Mg • The orientation was vertical for the drill, but brine was sampled not sediments.
Sample security	• *The measures taken to ensure sample security.*	• Data was recorded and processed by employees, consultants and contractors to the Company and overseen by senior management on-site. • Samples were transported from the drill site to secure storage at the camp on a daily basis. • Samples were then courier by the senior Geologist to the laboratory on her shift rotation.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have been conducted to date. The sampling is at a very early stage however the Company's independent consultant and Competent Person has approved the procedures to date and were present at sampling.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Formentera/Cilon Lithium Project consists of two tenements located in Jujuy Province, Argentina. The tenement is owned by Patagonia Lithium SA. The Company executed a purchase agreement on 18 December 2022 and paid for it on 19 December 2022.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• No historical exploration has been undertaken on this licence area • The Cilon concession area has been operated as a borate mine in the past although details of production records have not been available.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Formentera/Cilon licence area covers most of the salar proper with minor alluvial cover to the southwest. The lithium concentrated brine is at depth from MT geophysics sourced data and occurs locally from hot fluids passing through lithium minerals (volcanics) and altered intrusives and is concentrated in brines hosted within basin alluvial sediments and evaporites. • The NMR survey has measured the total porosity and other data.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length* ○ *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case*	• See the Figure 1 in the release for northing and eastings. Dip is vertical, elevation is 4,110m ASL, depth of well is 370m.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should*	• Assay results will be derived by SGS/Alex Stewart method using ICP-OES and interpolation to correct for errors. Three measurements will be taken from each brine sample and averaged. Lithium values will be reported in ppm or mg/L

Criteria	JORC Code explanation	Commentary
	be shown in detail. • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• The brine layers are horizontal to sub-horizontal therefore the intercepted thicknesses of brine layers would be true thickness as the sample hole is vertical. • The brine flowed from the walls of the hole in a section accessed by the packer tube from 0.25-3.0m so the intercept width is variable depending on the porosity and transmissivity of the surrounding sands and clays.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Refer to maps in figure 3.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All assay results will be reported as received from the laboratory. • All geophysics has been reported as csv files and charts.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• All meaningful and material information is reported • The nuclear Magnetic Borehole data has been comprehensively reported.
Further work	• *The nature and scale of planned further work (eg; tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• A fifth well is proposed in this stage of the campaign and new porosity data will be used to upgrade the mineral inferred resource estimate.