

28 January 2021

ASX ANNOUNCEMENT

ASX: ASN, ASNOC

Anson Accelerates Paradox Brine Project

- **PEA being updated to enable accelerated Li production in Stage 1**
- **Engineering and design of the Stage 1, 15,000tpa sodium bromide (NaBr) plant PFS well advanced**
- **Recently completed power impact study has identified two viable options for the supply of electricity to the proposed production plant**
- **Negotiations for equipment and material supplies underway**
- **Timeframe for an updated Stage 1 Li PEA and Br PFS completion is late Q1 / early Q2 2021 – will be a key catalyst towards advancing project financing discussions**

Anson Resources Limited (ASX: ASN, ASNOC) (Anson or the Company) is pleased to advise that it has made significant progress with respect to engineering studies underway at the Company's Paradox Brine Project (the Project) located in Utah, USA. In addition, following a strategic review and recognition of changing market conditions for lithium, Anson has decided to accelerate the production of lithium chemicals to Stage 1 of the Project.

Millcreek Mining previously prepared a Preliminary Economic Assessment (PEA) (see *ASX Announcement of 5 June 2020*) and have been engaged to update the PEA to incorporate a lithium processing plant in Stage 1 of the project and basing volume estimates based upon the throughput of brine required for the 15,000tpa NaBr plant.

Anson previously produced 99.9% pure battery quality lithium carbonate (see *ASX Announcement 3 June 2019*) and bulk lithium product samples using commercially scalable equipment (see *announcement of 12 December 2019*). Similarly, Anson also produced battery grade lithium hydroxide bulk samples (see *ASX Announcement 5 March 2020*). The bulk samples are being tested by Novonix for lithium-ion battery performance (see *ASX Announcement of 11 January 2021*). These achievements provide confidence for Anson to accelerate the production of lithium products in the first stage of the Paradox Brine Project.

Engineering and design for the Pre-feasibility Study (PFS) is well advanced. Recent work has focused on operational costings and as a result Anson has also entered several negotiations with equipment, utility and other material suppliers.

The PFS for the Stage 1 development of the Project is a 15,000tpa sodium bromide (NaBr) plant (see *ASX Announcement 5 June 2020*) and will expand upon Anson's existing Preliminary Economic Assessment (PEA) and will provide further definition of CAPEX/OPEX expectations of this project. Deliverables from the study include the piping and instrumentation diagrams, plant layout and civil work estimates as well as those for utility connections and infrastructure.

Anson Resources Limited

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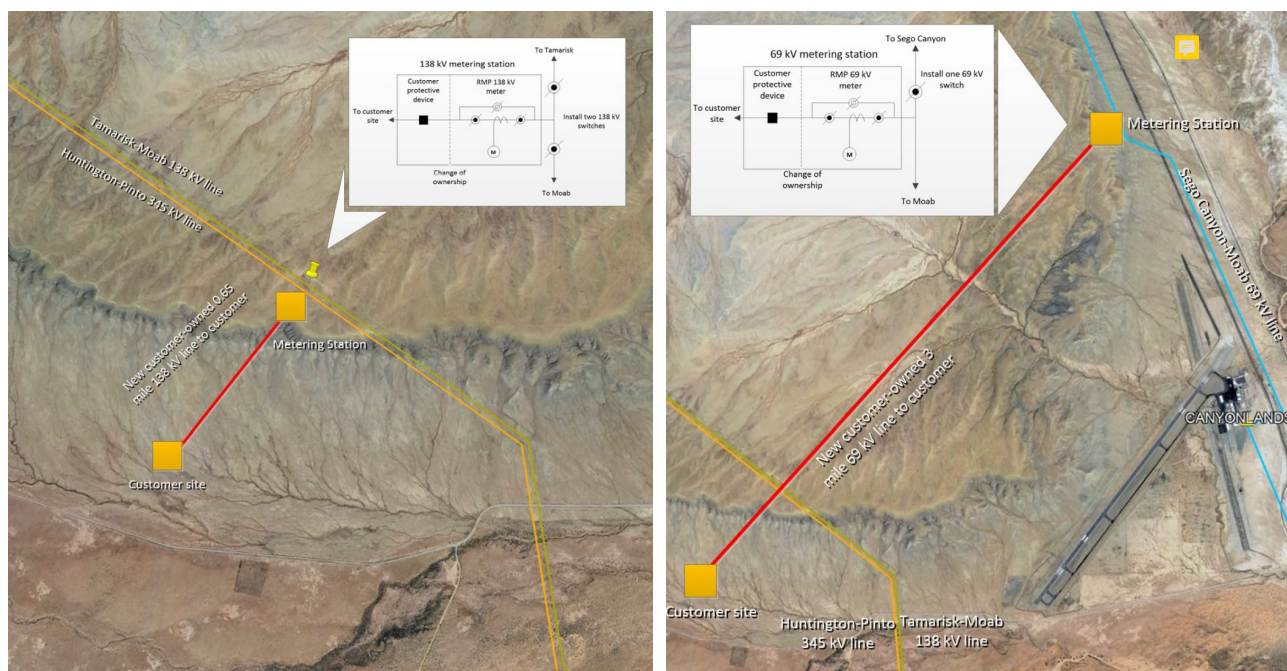
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The scope of the PFS also includes the preliminary design for the NaBr plant together with the brine pipeline, chlor-alkali plant, the auxiliary equipment and utility and supply infrastructure. The estimated timeframe of the study is four months and will support Anson to advance project development investment discussions.

The chlor-alkali plant, a key component of the facility, will produce the chlorine required to separate the bromine from the well brine.

As part of the PFS, Anson has commissioned De Dietrich to produce a process design for the bromine extraction component of the 15,000tpa NaBr plant. This work includes mass and energy balance, process calculations, equipment lists and specifications as well as the preliminary plant layout required for the completion of the PFS. De Dietrich has conducted tests on Anson’s brine, used for the extraction of bromine and conversion to sodium bromide, up to pilot plant stage (see ASX Announcement 20 December 2019).

In addition, Anson has entered negotiations with a number of other companies for the supply of equipment, utilities and other supplies. Most significantly Anson recently commissioned a “Interconnect/System Impact Study” (the Study) by the local electrical power provider, Rocky Mountain Power (Rocky Mountain). The Study concluded that the load service required by Anson for Stage 1 of the Project can be “accommodated” from two nearby power lines. Rocky Mountain has provided two power supply options. Both options only require a metering station to be established. Option 1 from the existing 138 Kv line approximately 1 km from the proposed production site, see Figure 1. Option 2 from the existing 68 Kv power line approximately 5 km from the proposed production site, see Figure 2.



Figures 1-2 (L-R): Option 1 138 Kv Power Supply Line and Option 2 69 Kv Power Supply Line

Anson's Strategic Focus

The Paradox Brine Project in Utah remains the Company's flagship project and progressing the engineering studies is a significant step forward in its development.

In parallel with the development of Paradox Brine Project, Anson continues with the exploration of its base metal projects in Western Australia with a strong focus on "The Bull" Project, which is located 20km along strike of Chalice Gold Mines (ASX: CHN) high grade Ni-Cu-PGE Julimar discovery.

Following the completion of a \$2.4 million capital raising (see ASX announcement dated 26 November 2020), Anson is well funded to execute its near-term work programs on both the Paradox Brine and The Bull projects respectively.

This announcement has been authorised for release by the Executive Chairman and CEO.

ENDS

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