Tuesday, 8 June 2021 ASX Code : LEL

MARKET ANNOUNCEMENT

Substantial Lithium Exploration Target Identified at the Solaroz Project in Argentina

KEY HIGHLIGHTS

- Substantial Exploration Target established for Lithium Energy's flagship Solaroz Lithium Brine Project in Argentina, demonstrating the world class potential of the Project
- A detailed conceptual geological model for the Solaroz Project has now been established, providing a pathway to delineation of a mineral resource and project advancement
- Exploration Target provides very encouraging indication of the potential scale of mineralisation relative to published resources of neighbouring tenements held by Orocobre Limited and Lithium Americas Corporation within the same Salar de Olaroz Basin

Lithium Energy Limited (ASX:LEL) (**Lithium Energy or the Company)** is pleased to advise that, as foreshadowed in its 26 May 2021 Announcement[1], it has established a conceptual Exploration Target for its flagship Solaroz Lithium Brine Project located in Argentina (**Solaroz Project**) of:

1.5 to 8.7 million tonnes (Mt) of contained Lithium Carbonate Equivalent (LCE)
based on a range of lithium concentrations of between circa **500 mg/L Lithium (Li) and 700 mg/L Li**.

The Exploration Target's potential quantity and grade is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource, and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

This Exploration Target demonstrates the potential world-class scale of the Solaroz Project and has been arrived at after a detailed examination of extensive geological data that exists in relation to the brine rich lithium aquifer that comprises the Salar de Olaroz Basin (**Olaroz Salar**), including a review of historical exploration in the Olaroz Salar and a detailed review of reported results from geophysical surveys undertaken by Orocobre Limited (ASX/TSX:ORE) (**Orocobre**) and Lithium Americas Corporation (TSX/NYSE:LAC) (**Lithium Americas**).

Lithium Energy notes its Exploration Target for the Solaroz Project in the context of Orocobre's JORC Code (2004 Edition) compliant Measured and Indicated Mineral Resource within the Olaroz Salar.[2]

1 Refer LEL ASX Announcement dated 26 May 2021: Geophysical Data Supports Highly Encouraging Exploration Potential for Solaroz

2 Refer Orocobre's ASX/TSX Announcement dated 1 April 2011: Increased and Upgraded Resource at Olaroz Lithium-Potash Project

Lithium Energy's Executive Chairman, William Johnson:

> *The Solaroz Project offers tremendous upside potential for Lithium Energy, given its highly prospective and strategic location next to Orocobre's producing lithium brine project. We are targeting the same Lithium brine mineralisation from the Olaroz Salar as that currently being extracted by Orocobre. This Exploration Target confirms the Solaroz Project as a Lithium project of potentially world-class scale.*
>
> *The long-term prospects for lithium are very strong, driven primarily by the expected growth in demand for lithium batteries for electric vehicles and a more sustainable way of living.*
>
> *Argentinian lithium brine projects in particular are recognised as being particularly attractive since they are amongst the lowest on the lithium carbonate cost curve, compared to hard rock projects.*

Exploration Target

Lithium Energy has assessed relevant open file Geophysics and exploration information in relation to the Olaroz Salar, including a number of Gravity and Audio-frequency Magnetotellurics (**AMT**) surveys conducted by Orocobre, some of which were undertaken over or closely adjacent to Lithium Energy's Solaroz tenements.

Geological modelling undertaken by Lithium Energy indicates the potential for a lithium-brine hosting Deep Sand Unit to occur beneath surfical material at depths from 200 - 400m over a large proportion of the Solaroz tenements.

Based upon Lithium Energy's assessment, the Exploration Target has an upper case estimate of approximately **8.7Mt of Contained Lithium Carbonate (LCE)** at approximate concentrations of **700mg/L Li** and a lower case estimate of approximately **1.5Mt of LCE** at an approximate concentration of **500mg/L Li**.

The Lithium Energy Exploration Target is based on the interpretation that the alluvial deposits upon which the Solaroz Concessions are located (at the North-West corner of the Olaroz Salar) have been deposited relatively recently and lie directly above the productive Deep Sand Unit of the lithium rich aquifer from which Orocobre is extracting its brine.

Further details of this Exploration Target are outlined in the following table:

Brine Area (km^2)	Exploration Targets					
	Thickness of Deep Sand Unit (m)	Lithium (mg/L)	Average Specific Yield (Sy) (%)	Brine Volume (million m^3)	Contained Lithium (Mt)	Contained LCE (Mt)
Upper Assumption Estimate						
78	150	700	20	2334	1.6	8.70
Lower Assumption Estimate						
78	75	500	10	584	0.3	1.5

Notes:

(1) The Exploration Target's potential quantity and grade is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

(2) Brine Volume ranges are approximations derived from an interpretation of open file geological and geophysical data.

(3) Porosity are approximations based upon open file information contained within Houston et al (13 May 2011), Orocobre (23 October 2014) and Lithium Americas (30 September 2020).

(4) Lithium grade ranges have been approximated from a review of open file information (Houston et al (13 May 2011), Orocobre (23 October 2014)).

(5) Percentage values have been rounded (to the nearest 1,000 unit) in relevant calculations.

(6) A conversion factor of 5.323 has been adopted to convert elemental Li to Li_2CO_3 ((LCE).

Target Area

The Exploration Target covers approximately 77.8 km^2 within Lithium Energy's Solaroz tenements (which totals approximately 120.8 km^2) over the Olaroz Salar for both the Upper and Lower Assumption cases. This is smaller than the total area of the Solaroz tenements as the Exploration Target is bounded to the west by a bounding fault (refer Figure 1) interpreted to be the effective western limit of prospectivity.

Nominal Volume Calculations for Solaroz Exploration Target

Solaroz Tenements	Tenement Area (km^2)	Brine Area (km^2)
Payo 1	19.73	19.73
Payo 2	21.93	16.44
Chico V	18.00	12.00
Chico VI	14.00	11.20
Chico I	8.35	8.35
Silvia Irene	23.48	5.87
Mario Angel	5.43	2.71
Payo	9.88	-
Total Area (km^2)	**120.80**	**77.80**

Thickness of Deep Sand Unit

A minimum thickness of 75m for the Deep Sand Unit is used for the Lower Assumption Case. A maximum thickness of 150m for the Deep Sand Unit is used for the Upper Assumption Case. Refer also Figure 5.

Porosity (Specific Yield)

Porosity is a vital measurement in determining a brine resource and it is important to understand the difference between definitions of porosity. Only part of the total porosity consists of interconnected pores that can be drained. The drainable porosity component is referred to as the specific yield (Sy) – the proportion of water that can be yielded when the aquifer is pumped. Extensive Sy measurements were previously made in the Olaroz Salar by Orocobre for the Sy value of different sediment types. An average Sy of 10% was estimated for the Lower Assumption Case.

For the Upper Assumption Case, an average Sy of 20% was estimated for the Deep Sand unit, taking into account the various porosity ranges encountered to date by other companies operating in the Olaroz Salar and Salar de Cauchari when intersecting the Deep Sand Unit.

Lithium Concentrations

A value of 700 mg/L of Lithium, was used for the Upper Assumption Case, based on an average of results reported for the Deep Sand Unit intersections reported in the Orocobre (23 October 2014 and 10 January 2019) and Lithium Americas (30 September 2020) reports.

A value of 500 mg/L Li, was used in the Lower Assumption Case (similar to lower grade values encountered, as reported in Houston et al (13 May 2011)).

Geological Setting

The Olaroz Salar originated as a structurally bounded, closed basin during the late Paleogene-Early Neogene. During much of the Miocene it appears to have slowly filled with medium to coarse grained alluvial fans and talus slopes eroded from the surrounding mountain ranges. As the basin was filled the sediments became progressively finer grained, braid-plain, sandflat, playa and fluvial architectures are noted in the Upper Miocene and Pliocene. As the climate became more arid during the Pliocene evaporitic deposits first appeared. Normal faulting and ongoing up lift proximal to the current salar created additional depositional space, which filled with sedimentation within the closed lake/basin.

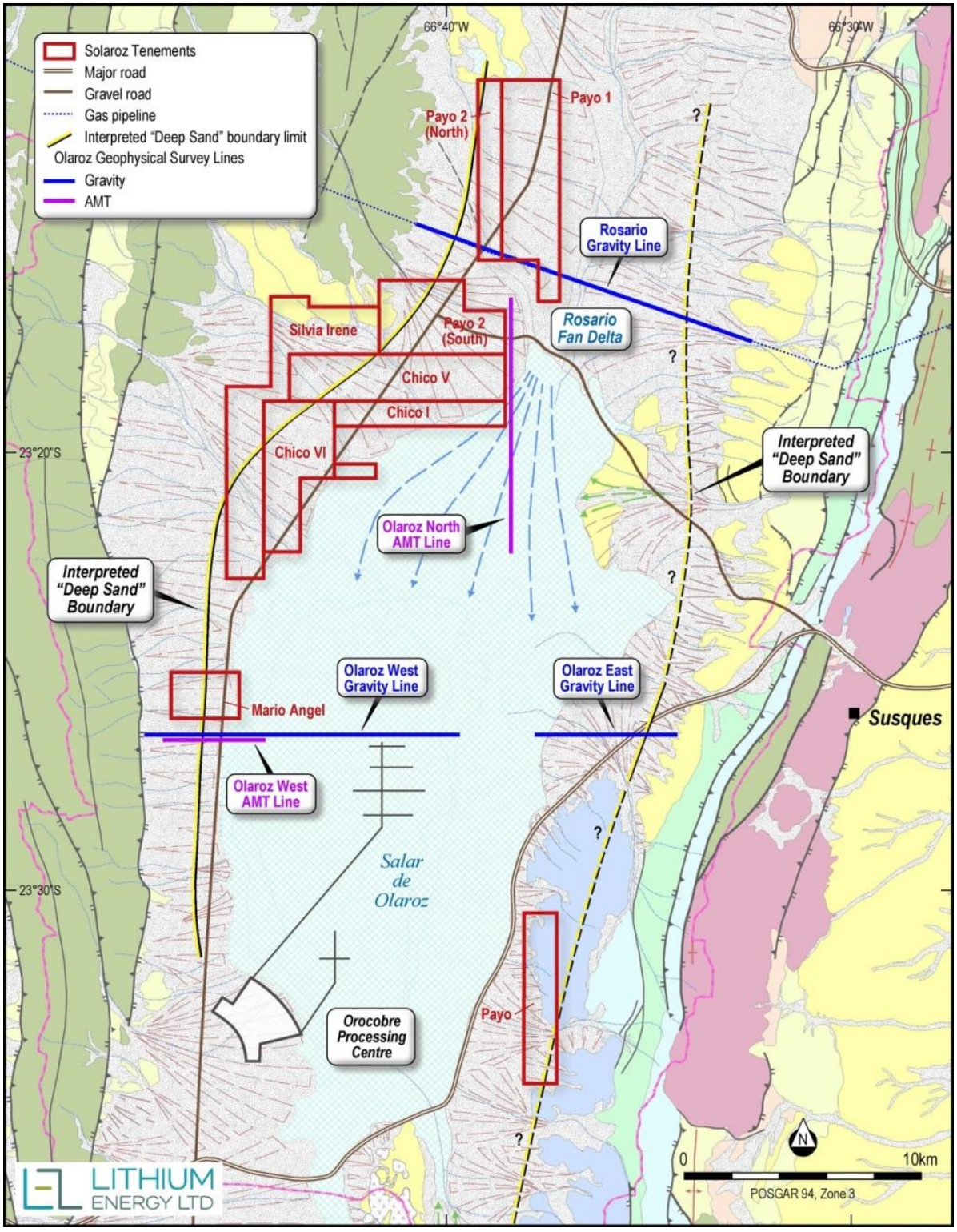

Figure 1: Geology of the Olaroz Salar with Location of the Solaroz Tenements and Location of Geophysical Surveys undertaken by Orocobre[3]

The lowest drilled sediments indicate an arid climate with abundant halite. These Units are probably Pliocene in age and are likely contiguous with the lowest drilled and reported sediments in the Salar de Cauchari to the south, suggesting the two basins operated as a continuous hydrologic entity at that stage. Ongoing sedimentation suggest continued subsidence in the center of the basin, with a climate that was variable, but never as arid as during the period dominated by the Deep Sand Unit and abundant Halite development. Influx of water and sediment is primarily from the Rosario catchment at the north of Olaroz Salar.

3 Source: Salfity Geological Consultants - www.salfitygeologicalconsultant.com

At depth, a uniform and thick highly porous sandstone aquifer has been intersected in both the Olaroz Salar (Orocobre, 23 October 2014) and the neighbouring Salar de Cauchari (Lithium Americas, 30 September 2020) and Orocobre, 10 January 2019) located directly to the south of the Olaroz Salar. The Deep Sand Unit has a characteristic marker horizon immediately above it of Massive Halite (**MHM**), which is variable in thickness.

The significance of the Deep Sand Unit has been emphasised by Orocobre: "Sands of this type have free draining porosity of between 20 and 25% based on previous test work, and the sand unit could hold significant volumes of lithium-bearing brine which could be added to the resource base by future drilling" (Orocobre 23 October 2014).

Information Used to Define the Exploration Target

Orocobre (Houston et al, 13 May 2011) has carried out a series of geophysical Gravity and AMT surveys over various locations (refer Figure 1) in the Olaroz Salar.

Geological modelling of the Geophysics together with a review of open-file information indicates the potential for the Deep Sand Unit to occur beneath surficial material at depths from approximately 200 - 400m over a large proportion of Lithium Energy's Solaroz tenements.

The depth to the top of the interpreted Deep Sand Unit varies but is generally at least approximately 200m below surface, based on interpretation of open-file geophysics and the presence of the Massive Halite marker (MHM) unit. The MHM unit is interpreted to be deposited during a period of significant aridity in the basin development and structurally, is located directly above the Deep Sand unit.

The overall depth of the Olaroz Salar (to basement rock) is interpreted from various gravity surveys undertaken at strategic locations across the Olaroz Salar, in particular that carried out by Orocobre (Houston et al, 13 May 2011).

For example, Gravity modelling at the Rosario Gravity Line shows that the depth to basement within the Payo 1 tenement is approximately 400m (refer Figure 2).

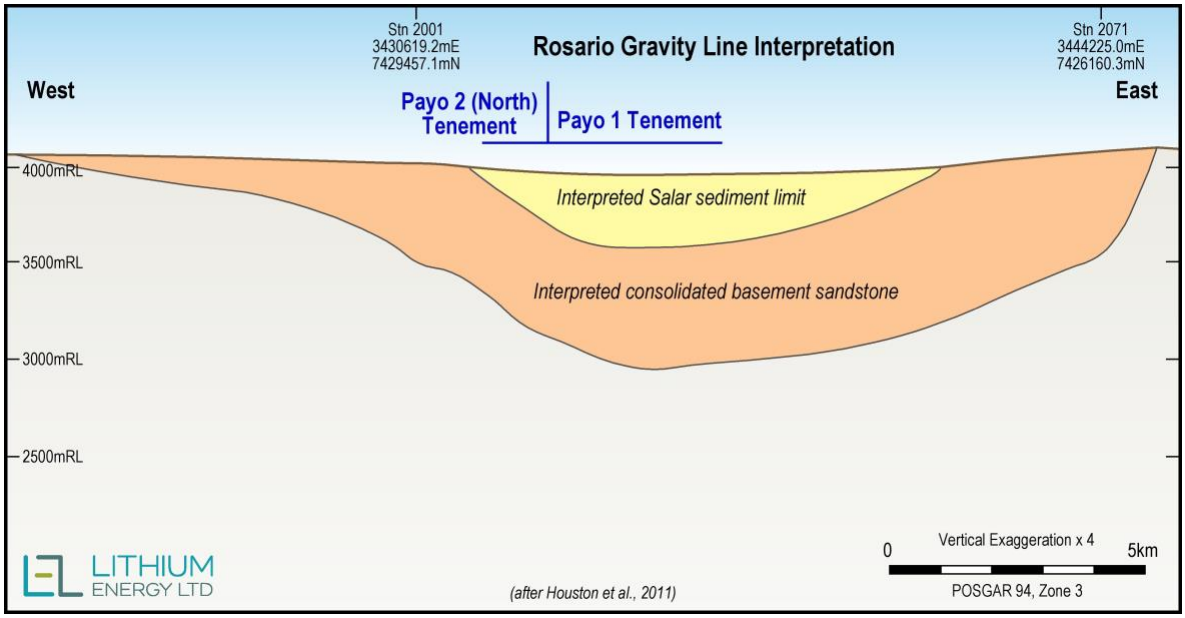

Figure 2: Olaroz Salar - Rosario Gravity Line across Solaroz Tenements

AMT modelling shows the interfaces between resistive material (i.e brackish water and lack of conductive salt rich brine) and the conductive brine. The AMT modelling at the Olaroz North AMT Line shows a thickening wedge of resistive material underlain by a conductive layer (interpreted to be conductive Brine), whilst the thickening wedge of resistive material above it is the more recent Rosario recent sediments, which host brackish water at shallow depths, the nominal depths of which can be determined from the modelled section (refer Figure 3).

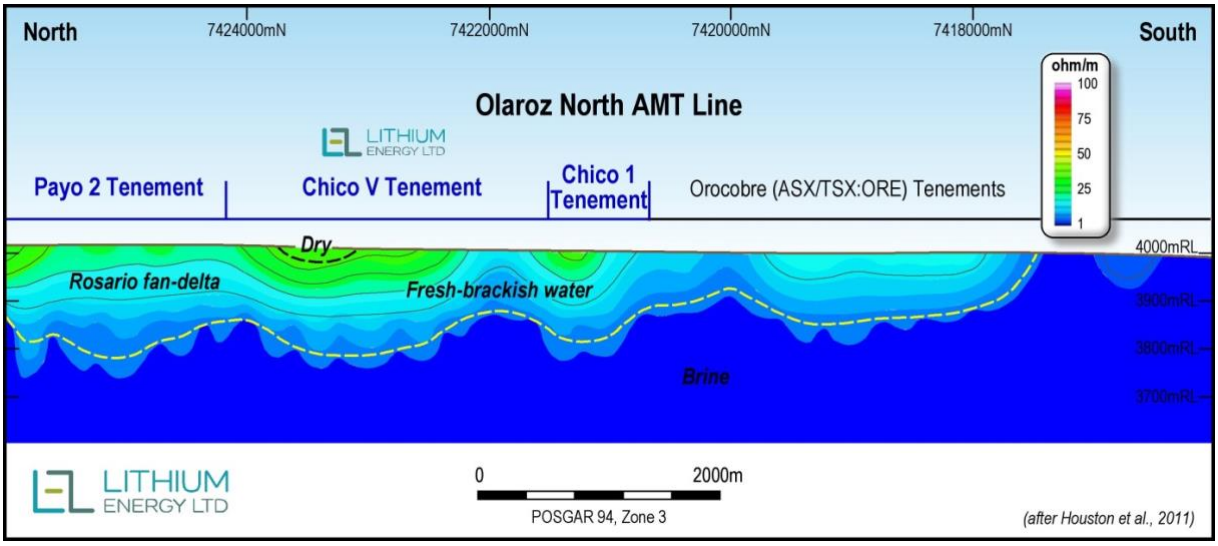

Figure 3: Olaroz Salar - Olaroz North AMT Survey Line

Similar interpretations can be applied (as annotated by Orocobre in Houston et al, 13 May 2011) to the Olaroz East and West Gravity Lines and also the Olaroz West AMT Line to determine the location of the bounding fault (refer Figure 4).

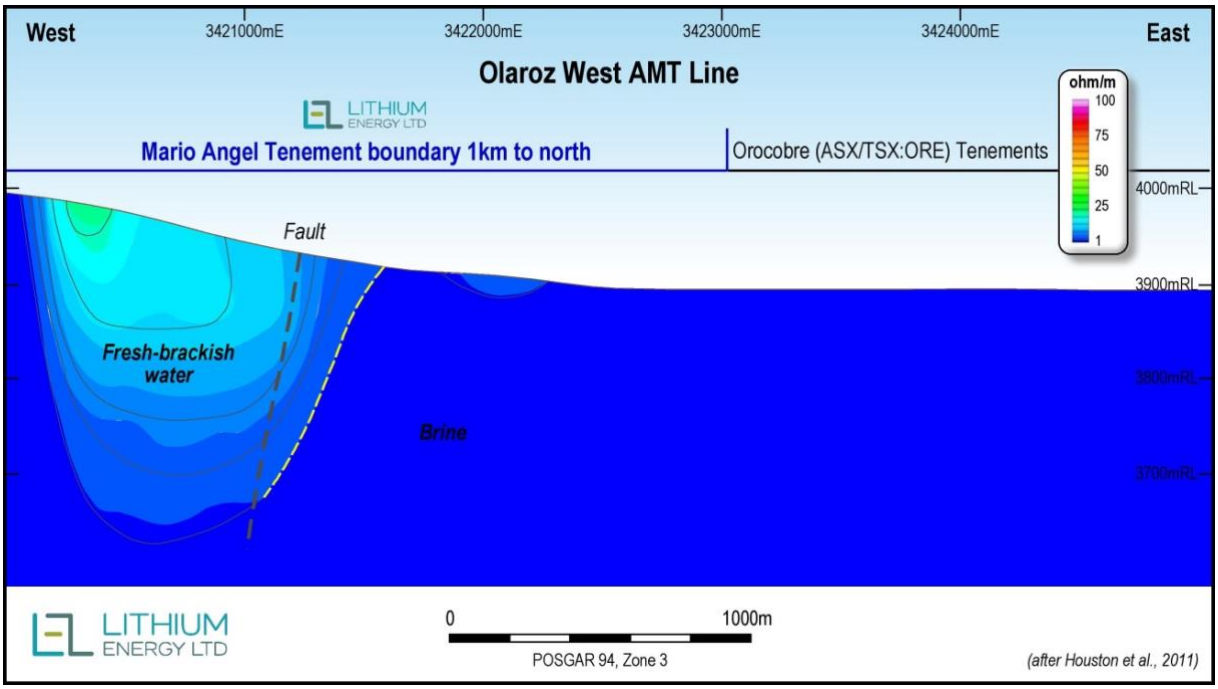

Figure 4: Olaroz Salar - Olaroz West AMT Survey

The prospective area is nominally bounded to the west by the interpreted bounding fault as defined by geophysical surveys presented in Houston et al (13 May 2011) and shown in Figure 1.

The Massive Halite Marker (MHM) can be used to approximate the upper vertical limit of the Deep Sand Unit. It was a historically a drill limit as it has low porosity but recent exploration work by Lithium Americas (30 September 2020) and Orocobre (23 October 2014 and 10 January 2019) indicates that it forms a capping to a dark medium to coarse sandstone which ranges in thickness from approximately 50m to over 200m in thickness. This medium to coarse sandstone has high porosity and forms the Deep Sand Unit, which is Lithium Energy's principal exploration focus.

The Olaroz Salar Gravity West to East line interpretation (Figure 5) is an almost complete West to East cross section through the Olaroz Salar.

The interpreted location of the MHM and Deep Sand Unit have been superimposed on the gravity line interpretation and has assisted in determining the minimum and maximum thickness assumptions used in the Exploration Target.

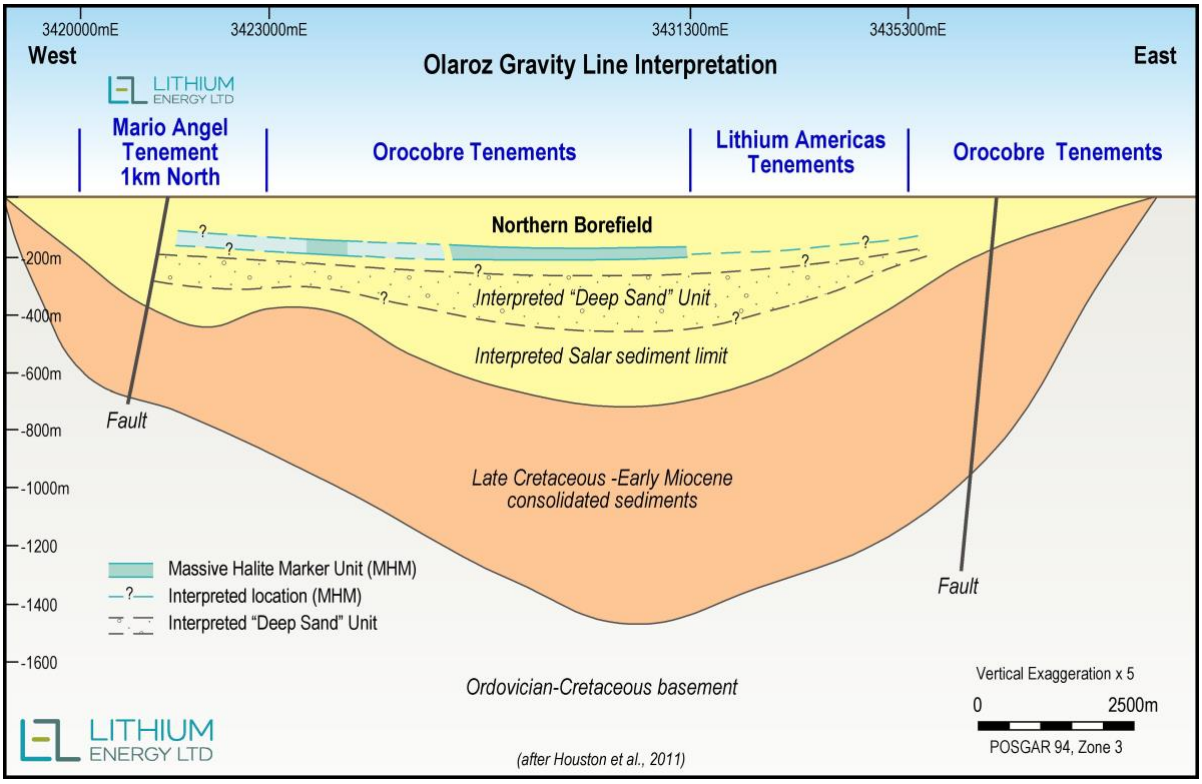

Figure 5: Olaroz Salar West to East Schematic Gravity Line Interpretation

Exploration Work Planned to Validate Exploration Target

Lithium Energy proposes to test the proposition that the aquifer which supplies the lithium-rich brine being extracted by Orocobre extends under the Company's Solaroz tenements. This will be tested by geophysical work and drilling with a view to fast tracking production of lithium carbonate dependent upon these works being successfully concluded.

Upon the grant of the required environmental approvals, an extensive work programme will be conducted, aimed at locating potentially lithium bearing brines of economic interest and obtaining preliminary information related to the hydrogeological and geochemical characteristics of the aquifer:

- Geophysical surveys to define the basin basement morphology and thickness of the hydrogeological units that have the potential to contain brines of economic interest; and
- A preliminary exploration drilling campaign based on the results from previous work, to assess the distribution and geochemistry of the brine and to obtain data related to basic physical parameters of the different hydrogeological units.

Lithium Energy will also undertake an assessment of relevant mine economic criteria to assist in developing a pathway to the completion of feasibility study(s), including the delineation of a maiden Mineral Resource.

Reference Materials

This published open file data upon which the Exploration Target for the Company's Solaroz Project has been developed includes the following works:

- Houston, J., Gunn, M., Technical Report on the Salar De Olaroz Lithium-Potash Project, Jujuy Province, Argentina. NI 43-101 report prepared for Orocobre Limited, 13 May 2011
- Orocobre Limited ASX/TSX Announcement dated 23 October 2014 entitled "Olaroz Project - Large Exploration Target Defined Beneath Current Resource"
- Reidel, F., Technical Report on Cauchari JV Project – Updated Mineral Resource Estimate, prepared for Advantage Lithium Corporation, 19 April 2019
- Orocobre Limited ASX/TSX Announcement dated 10 January 2019 entitled "Cauchari Drilling Update – Phase III Drilling Complete"
- Burga, E. et al, Technical Report - Updated Feasibility Study and Mineral Reserve Estimation to support 40,000 tpa Lithium Carbonate Production at the Cauchari-Olaroz Salars, Jujuy Province, Argentina, prepared for Lithium Americas Corporation, 30 September 2020

Further technical details are set out in Appendix A.

Solaroz Project- Location

Lithium Energy's flagship Solaroz Project comprises 8 mineral tenements totalling approximately 12,000 hectares, located approximately 230 kilometres north-west of the provincial capital city of Jujuy within South America's 'Lithium Triangle' in North-West Argentina in the Salar de Olaroz Basin.

The Solaroz Project is directly adjacent to or principally surrounded by tenements held by Orocobre and Lithium Americas in the Oloroz Salar (refer Figure 6) Orocobre currently has a market capitalisation of approximately A$2.3 Billion, principally relating to its Olaroz lithium brine project at the Olaroz Salar where it has been extracting lithium brine and producing lithium carbonate since 2015. Orocobre is targeting production of 25,000 tonnes per year of primary grade lithium carbonate by 2024.[4]

Lithium Americas' Cauchari-Olaroz project is located in the Olaroz Salar and neighbouring Salar de Cauchari adjacent to Orocobre's Olaroz Lithium Facility and is targeting production of 40,000 tonnes per year of lithium carbonate, commencing mid-2022. Lithium Americas has a market capitalisation of approximately US$1.9 Billion and has so far committed over ~US$500 Million of capital works to the development of its Cauchari-Olaroz project.[5]

The Olaroz Salar is located in the Puna Region in the Department of Susques in the Province of Jujuy, Argentina approximately 230 km northwest of the city of San Salvador de Jujuy, with an average altitude of 3900 metres (above sea level).

It has an average temperature of 8°C and precipitation is less than 100 mm/year; the average wind speed is 25 km/h. These conditions and low clouds make it a suitable place for evaporation processes.

4 Refer Orocobre's March 2021 Quarterly Activities Report release dated 19 April 2021

5 Refer Lithium America's First Quarter 2021 Results release dated 6 May 2021

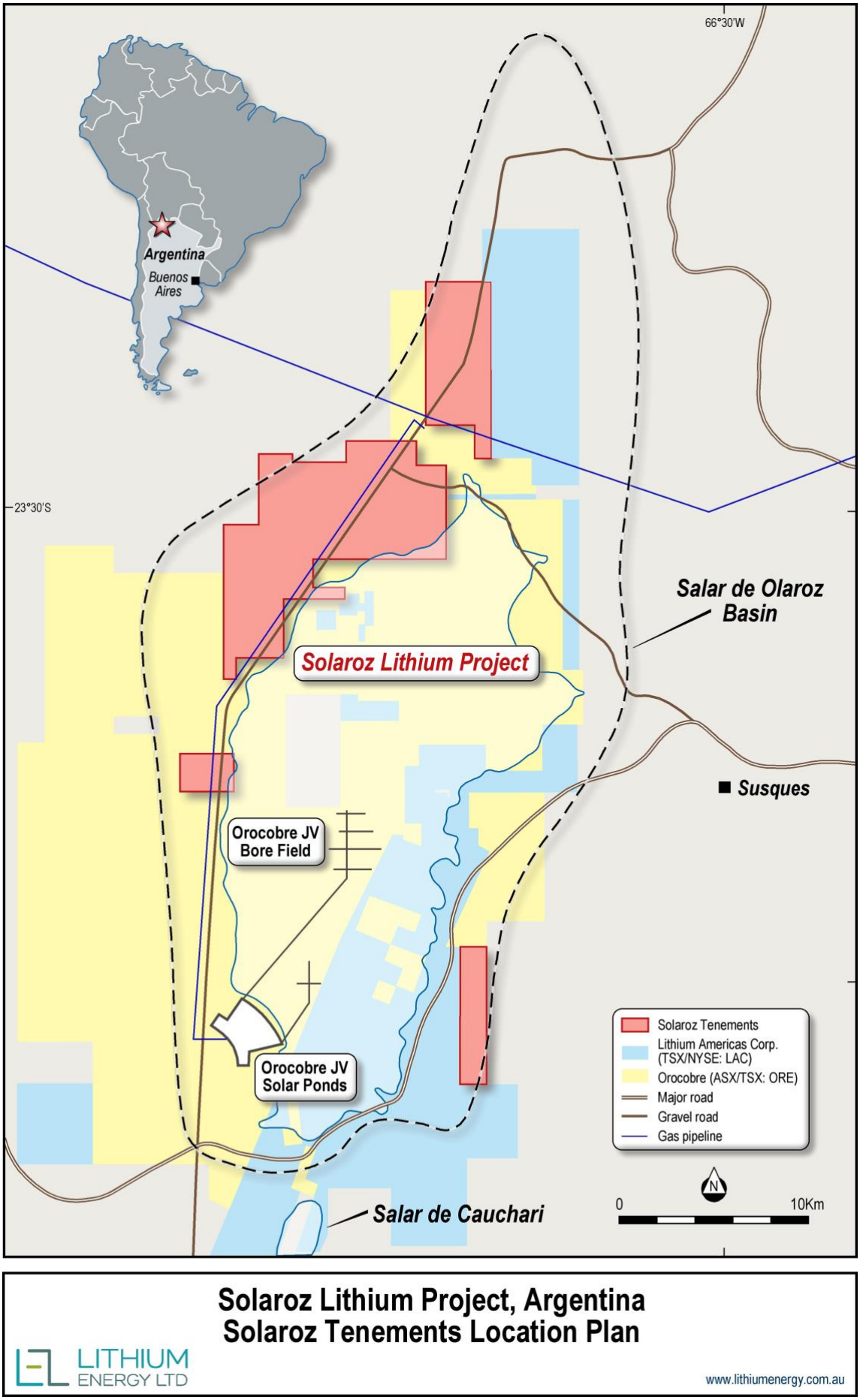

Figure 6: Solaroz Project Tenement Locations

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ABOUT LITHIUM ENERGY LIMITED (ASX:LEL)

Lithium Energy Limited is an ASX listed battery minerals company which is developing its flagship Solaroz Lithium Brine Project in Argentina and the Burke Graphite Project in Queensland. The Solaroz Lithium Project (LEL:90%) comprises 12,000 hectares of highly prospective lithium mineral tenements located strategically within the Salar de Olaroz Basin in South America's "Lithium Triangle" in north-west Argentina. The Solaroz Lithium Project is directly adjacent to or principally surrounded by mineral tenements being developed into production by Orocobre Limited (ASX/TSX:ORE) and Lithium Americas Corporation (TSX/NYSE:LAC). The Burke Graphite Project (LEL:100%) contains a high grade graphite deposit and presents an opportunity to participate in the anticipated growth in demand for graphite and graphite related products. LEL was spun out of Strike Resources Limited (ASX:SRK) via a $9 million IPO; Strike remains a major (43%) shareholder of the Company.

JORC CODE COMPETENT PERSON'S STATEMENT

The information in this document that relates to Exploration Targets and Exploration Results are based on, and fairly represents, information and supporting documentation prepared by Mr Peter Smith, BSc (Geophysics) (Sydney) AIG ASEG. Mr Smith is a Member of the Australian Institute of Geoscientists (**AIG**) and an Executive Director of the Company. Mr Smith has the requisite experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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' (the **JORC Code**). Mr Smith consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

FORWARD LOOKING STATEMENTS

This document contains "forward-looking statements" and "forward-looking information", including statements and forecasts which include without limitation, expectations regarding future performance, costs, production levels or rates, mineral reserves and resources, the financial position of the Company, industry growth and other trend projections. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "is expecting", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes", or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might", or "will" be taken, occur or be achieved. Such information is based on assumptions and judgements of management regarding future events and results. The purpose of forward-looking information is to provide the audience with information about management's expectations and plans. Readers are cautioned that forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include, among others, changes in market conditions, future prices of minerals/commodities, the actual results of current production, development and/or exploration activities, changes in project parameters as plans continue to be refined, variations in grade or recovery rates, plant and/or equipment failure and the possibility of cost overruns.

Forward-looking information and statements are based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date such statements are made, but which may prove to be incorrect. The Company believes that the assumptions and expectations reflected in such forward-looking statements and information are reasonable. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. The Company does not undertake to update any forward-looking information or statements, except in accordance with applicable securities laws.

APPENDIX A

JORC CODE (2012 EDITION)
CHECKLIST OF ASSESSMENT AND REPORTING CRITERIA
FOR EXPLORATION RESULTS

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	Explanation	Comments
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or 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 (e.g. 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g 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 (e.g. submarine nodules) may warrant disclosure of detailed information.*	The Company has yet to conduct any brine or core sampling at Solaroz and therefore, no sampling results are reported.
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic etc.) and details (e.g. 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.).*	The Company has yet to conduct any drilling at Solaroz and therefore, no drilling techniques are reported.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed* • *Measurements 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.*	The Company has yet to conduct any drilling at Solaroz and therefore, no drill sample recovery data are reported.
Logging	• *Whether core and chip samples have been geologically and geotechnically 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 Company has yet to conduct any drilling at Solaroz and therefore, no logging data are reported.
Sub-sampling	• *If core, whether cut or sawn and whether quarter,*	The Company has yet to conduct any drilling

Criteria	Explanation	Comments
techniques and sample preparation	*half or all core taken.* • *If non-core, whether riffles, tube sampled, rotary split, etc. and whether sampled wet or dry.* • *For all sample types, 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.*	at Solaroz and therefore, no sampling techniques or sample preparation data are reported.
Quality of assay data and laboratory tests	• *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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	The Company has yet to conduct any sampling or drilling at Solaroz and therefore, no assay data or laboratory test results are reported.
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 (physically and electronic) protocols.* • *Discuss any adjustment to assay data.*	The Company has yet to conduct any sampling or drilling at Solaroz and therefore, no verification of sampling or assaying results are reported.
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 Mineral Resources estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	The Company has yet to conduct any drilling, trenching or mine workings at Solaroz and is not estimating any Mineral Resources and therefore, no data point locations are reported. The location of third-party geophysical survey points/lines is taken from open file reports, where coordinates are set out in conventional Latitude / Longitude coordinates or under Posgar 3 (a local Argentinian Grid format similar to a UTM grid). The location of previous Deep Sand intersections is taken from open file third-party drill collar and intersection details, which the Company has not independently verified.
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 Reserve and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	The Company is not reporting its own Exploration Results or Mineral Reserves or Ore Reserves at Solaroz and therefore, no data spacing, data distribution or applications of sample compositing are applicable.

Criteria	Explanation	Comments
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 Company has yet to conduct any sampling or drilling at Solaroz and therefore, potential biases relating to orientation of sampling or drilling are not applicable. Salfity Geological Consultants provided detailed geological maps for the Salar de Olaroz basin, which provide a structural architecture for the Salar and its formation, which on interpretation of the open file geophysical data has been extended to a 3D representation which has assisted in the interpretation of the 'Deep Sand Unit' extent within the depths of the Salar de Olaroz.
Sample security	• *The measures taken to ensure sample security.*	The Company has yet to conduct any sampling or drilling at Solaroz and therefore, reporting on sample security is not applicable.
Audits or reviews	• *The results of and audits or reviews of sampling techniques and data.*	The Company has yet to conduct any sampling at Solaroz and therefore, reporting on audits or reviews of sampling techniques or data is not applicable.

Section 2 Reporting of Exploration Results

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

Criteria	Explanation	Comments
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 interest, 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 Solaroz Lithium Brine Project comprises 8 exploitation tenements totalling approximately 12,000 hectares (**Solaroz Tenements**) located in the Jujuy Province in northern Argentina (being applications currently being processed before the Administrative Mining Court of the Province of Jujuy): (1) Mario Angel – File N°1707-S-2011 (542.92ha) (2) Payo – File N°1514-M-2010 (987.62ha) (3) Payo 1 – File N°1516-M-2010 (1973.24ha) (4) Payo 2 – File N°1515-M-2010 (2192.63ha) (5) Chico I – File N°1229-M-2009 (835.24ha) (6) Chico V – File N°1312-M-2009 (1800ha) (7) Chico VI – File N°1313-M-2009 (1400.18ha) (8) Silvia Irene, File N°1706-S-2011 (2348.13ha) The Company has a 90% shareholding in Hananta S.A., an Argentine company which, in turn, has an option to acquire the Solaroz Tenements from the local owner – refer to Sections 8.1, 15.3 and 15.4 of the Company's Prospectus (dated 30 March 2021) for further details.
Exploration done by other parties	• *Acknowledgement and appraisal of exploration by other parties.*	Extensive open file drilling, geochemistry, geophysical and development work from exploration to development, and operating mine have been carried out by Orocobre Limited (ASX/TSX:ORE) (**Orocobre**) and Lithium Americas Corporation (TSX/NYSE:LAC) (**Lithium Americas**). The Company has reviewed the relevant open file published documents and images relating to the Salara de Olaroz and from this review made its interpretations relating to the Company's Solaroz Tenements. The published data upon which the geological model for the Company's Solaroz Project has been developed includes the following works: • Houston, J., Gunn, M., Technical Report on the Salar De Olaroz Lithium-Potash Project, Jujuy Province, Argentina. NI 43-101 report prepared for Orocobre Limited, 13 May 2011 • Orocobre Limited ASX/TSX Announcement dated 23 October 2014 entitled "Olaroz Project - Large Exploration Target Defined Beneath Current Resource" • Reidel, F., Technical Report on Cauchari JV Project – Updated Mineral Resource Estimate, prepared for Advantage Lithium Corporation, 19 April 2019 • Orocobre Limited ASX/TSX Announcement dated 10 January 2019 entitled "Cauchari Drilling Update – Phase III Drilling Complete" • Burga, E. et al, Technical Report - Updated Feasibility Study and Mineral Reserve Estimation to support 40,000 tpa Lithium

Criteria	Explanation	Comments
		Carbonate Production at the Cauchari-Olaroz Salars, Jujuy Province, Argentina, prepared for Lithium Americas Corporation, 30 September 2020 • Salfity Geological Consultants Map for Salar de Olaroz
Geology	• *Deposit type, geological settings and style of mineralisation.*	The Salar de Olaroz originated as a structurally bounded, closed basin during the late Paleogene-Early Neogene. During much of the Miocene it appears to have slowly filled with medium to coarse grained alluvial fans and talus slopes eroded from the surrounding mountain ranges. As accommodation space was filled the sediments became progressively finer grained, braidplain, sandflat, playa and fluvial architectures are noted in the Upper Miocene and Pliocene. As the climate became more arid during the Pliocene evaporitic deposits first appeared. Normal faulting created additional accommodation space probably initiated at this time too. The lowest drilled sediments indicate an arid climate with abundant halite. These Units are probably Pleistocene in age and are likely contiguous with the lowest drilled and reported sediments in the Salar de Olaroz originated as a structurally bounded, closed basin during the late Paleogene-Early Neogene. During much of the Miocene it appears to have slowly filled with medium to coarse grained alluvial fans and talus slopes eroded from the surrounding mountain ranges. As accommodation space was filled the sediments became progressively finer grained, braidplain, sandflat, playa and fluvial architectures are noted in the Upper Miocene and Pliocene. As the climate became more arid during the Pliocene evaporitic deposits first appeared. Normal faulting created additional accommodation space probably initiated at this time too. The lowest drilled sediments indicate an arid climate with abundant halite. These Units are probably Pleistocene in age and are likely contiguous with the lowest drilled and reported sediments in the Salar de Cauchari to the south, suggesting the two basins operated as a continuous hydrologic entity at that stage. Succeeding Units suggest continued subsidence in the center of the basin, with a climate that was variable, but never as arid as during period dominated by the 'Deep Sand Unit' and abundant Halite development. Influx of water and sediment is primarily from the Rosario catchment at the north of Salar de Olaroz. At depth a thick highly porous sandstone aquifer has been intersected in both the Salar de Cauchari (by Lithium Americas) and the Salar de Olaroz (by Orocobre). Due to its depth the aquifer has only been intersected in a few holes, as of the 23 October 2014 Orocobre announcement. The significance of the 'Deep Sand Unit' is that "Sands of this type have free draining porosity of between 20 and 25% based on previous testwork, and the sand unit could hold significant volumes of lithium-bearing brine which could be added to the resource base by future drilling" (per Orocobre's 23 October 2014 announcement).

Criteria	Explanation	Comments

Drill hole Information	• *A summary of all information material for 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) and 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.*
		No drilling results are being presented. The Company has yet to conduct any drilling at Solaroz and therefore, no drillhole information is reported.

Data aggregation methods	• *In reporting Exploration results, weighing averaging techniques, maximum and/or minimum grade truncations (e.g. 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 be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	The Company has yet to conduct any brine or core sampling at Solaroz and no data aggregation has taken place and hence no aggregation methods have been carried out. Elemental lithium has been converted to Lithium Carbonate Equivalent (LCE) using a conversion factor of 5.323 to convert Li to Li_2CO_3); reporting lithium values in LCE units is a standard industry practice.
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 (e.g. 'down hole length, true width not known')*	The Exploration Target and interpretations made by the Company are conceptual in nature. The Company has yet to conduct any drilling and/or sampling of existing well infrastructure at Solaroz and hence geometry and intersection qualifications of open file information cannot be made or validated.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts would be included for any significant discovery being reported. These should include, but not be limited too plan view of drill hole collar locations and appropriate sectional views.*	The Company has yet to conduct any drilling or brine or core sampling at Solaroz hence and no plans or cross section representations of drilling have been reported. Notwithstanding this, a plan of all open file geophysical survey lines is shown in Figure 1 whist open file cross-sections are shown in Figures 2, 3, 4 and 5 with appropriate scale bars.
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.*	Historical and open file reports have been collated and are consistent across numerous companies and the Company has no reason to doubt the balanced reporting of the various technical open file reports. Open file geochemical, drilling and geophysical datasets have been used to calculate the mean lithium concentration, thicknesses and porosity estimations used in estimating the Exploration Target.
Other	• *Other exploration data, if meaningful and*	As part of the review of exploration results in the

Criteria	Explanation	Comments
substantive exploration data	*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 containing substances.*	Olaroz Salar, the Company has analysed a number of Gravity and AMT surveys conducted by Orocobre, some of which were undertaken over or closely adjacent to the Solaroz Tenements. The proximity of these surveys has been very useful and highly encouraging for the Company to develop in greater detail an exploration outline for the Solaroz Tenements. Figure 1 (in this Announcement) outlines the location of the Solaroz Tenements relative to the historical geophysical surveys that have been conducted by Orocobre. The Gravity Line surveys undertaken by Orocobre were conducted principally to determine the depth below surface to the basement rock in the Olaroz Salar, which practically sets the lowest depth limit to which lithium-rich brines could be encountered in the basin. The AMT Line surveys (which measure resistivity) were conducted to identify the interfaces between fresh water and the more conductive brines, facilitating the identification of the location and extent of potentially lithium-rich brines occurring above the basement rock.
Further work	• *The nature and scale of planned further work (e.g. 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, providing this information is not commercially sensitive.*	A comprehensive compilation of historical data is underway. The Company is planning to test the proposition that the aquifer which supplies the lithium-rich brine being extracted by Orocobre extends under the Company's Solaroz Tenements. This will be tested by geophysical work and drilling with a view to fast tracking production of lithium carbonate dependent upon these works being successfully concluded. Upon the approval of the Environmental Impact Assessment (EIA) Report (by the Jujuy Mining Authority, the provincial authority responsible for approving exploration and mining activities at the Solaroz Project), the following proposed exploration programme is aimed at locating potentially lithium bearing brines of economic interest and obtaining preliminary information related to the hydrogeological and geochemical characteristics of the aquifer: • Geophysical surveys to define the basin basement morphology and thickness of the hydrogeological units that have the potential to contain brines of economic interest; and • A preliminary exploration drilling campaign based on the results from previous work, to assess the distribution and geochemistry of the brine and to obtain data related to basic physical parameters of the different hydrogeological units. The Company will also undertake an assessment of relevant mine economic criteria to assist in developing a pathway to the completion of feasibility study(s), including the delineation of a maiden Mineral Resource.