

22 October 2021

Stephanie Patchell
Adviser, Listings Compliance
Australian Securities Exchange
Level 40, Central Park
152-158 St George's Terrace
Perth WA 6000

Dear Stephanie,

ARIZONA LITHIUM LIMITED (ASX: AZL) – RESPONSE TO PRICE AND VOLUME QUERY

Arizona Lithium Limited (the **Company** or **AZL**) refers to your Price and Volume Query Letter dated 22 October 2021 and provides the following responses:

1. Is AZL aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?

No.

2. If the answer to question 1 is "yes":

- a) Is AZL relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?

N/A

- b) Can an announcement be made immediately?

N/A

- c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?

N/A

3. If the answer to question 1 is "no", is there any other explanation AZL may have for the recent trading in its securities?

The Company notes that lithium carbonate prices in China have traded at record highs in October¹.

The Company's 100% owned Big Sandy Project, located in the US Battery Corridor in Arizona hosts a JORC compliant Maiden Mineral Resource, with a Total Indicated and Inferred Resource of 32.5 Million Tonnes (Mt) grading 1,850 parts per million (ppm) Li, or 320,800 tonnes Lithium Carbonate Equivalent (LCE), reported above an 800 ppm Li cut-off.

¹ <https://www.spglobal.com/platts/en/market-insights/latest-news/metals/102021-chinese-lithium-carbonate-hydroxide-prices-hit-record-high-ahead-of-spodumene-tender>

The Company has recently completed the spin-out of its gold and copper assets to Diablo Resources Limited and has returned to a being a lithium focused explorer and developer.

4. Please confirm that AZL is complying with the Listing Rules and, in particular, Listing Rule 3.1.

The Company confirms that it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

5. Please confirm that AZL's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its Board or an officer of AZL with delegated authority from the Board to respond to ASX on disclosure matters.

AZL confirms that its responses to the questions above have been authorised and approved by the Managing Director in accordance with its policies regarding continuous disclosure.

Yours sincerely



Oonagh Malone

Company Secretary

JORC Compliant Maiden Mineral Resource Breakdown

Resource Classification	Tonnes (Mt)	Li Grade (ppm)	Contained Li Metal (t)	Contained LCE (t)
Indicated	14.6	1,940	28,400	150,900
Inferred	17.9	1,780	31,900	169,900
Total	32.5	1,850	60,300	320,800

The information in this announcement that relates to the Big Sandy Sedimentary Lithium Project is based on, and fairly represents information compiled by Gregory L Smith who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity to 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". Mr. Smith is a Director of the Company and holds shares in the Company. Mr. Smith 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 that the material assumptions and technical parameters underpinning the Resource estimate, which was announced to the ASX on 26 September 2019, have not materially changed.



22 October 2021

Reference: 41467

Ms Oonagh Malone
Company Secretary
Arizona Lithium Limited

By email

Dear Ms Malone

Arizona Lithium Limited ('AZL'): Price and Volume Query

ASX refers to the following:

- A. The change in the price of AZL's securities from a low of \$0.052 at the close of trading on 19 October 2021 to an intraday high of \$0.079 at the time of writing this letter today.
- B. The significant increase in the volume of AZL's securities traded on 21 October 2021 and 22 October 2022.

Request for information

In light of this, ASX asks AZL to respond separately to each of the following questions and requests for information:

1. Is AZL aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes".
 - (a) Is AZL relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in AZL's securities would suggest to ASX that such information may have ceased to be confidential and therefore AZL may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that AZL may have for the recent trading in its securities?
4. Please confirm that AZL is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that AZL's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of AZL with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **5.00 PM AWST today, Friday, 22 October 2021**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it

does not fall within the exceptions mentioned in Listing Rule 3.1A, AZL's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require AZL to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in AZL's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in AZL's securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to AZL's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that AZL's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Yours sincerely

Stephanie Patchell
Adviser, Listings Compliance (Perth)