

NEW EXPLORATION PLANNED FOR THE COMPANY'S USA LITHIUM PROJECTS

- **Caeneus to restart exploration on its USA Lithium Brine projects**
- **Projects located strategically in the Lithium Battery Basin, Nevada, USA which also hosts Rhyolite Ridge (ASX: INR) and Silver Peak (NYSE: ALB) lithium deposits**
- **Historical drilling confirmed presence of lithium brine**

Caeneus Minerals Ltd (“CAD”, “Caeneus” or “the Company”) is pleased to provide an update on the Company’s lithium brine projects located in Nevada, USA.

During the preceding 12 months, the Company has been conducting historical technical data reviews as well as evaluating its further corporate options for the two 100% owned lithium brine projects, Columbus Marsh and Rhodes Marsh, which it holds within the lithium-producing Clayton Valley region in Nevada, USA (figure 1).



Figure 1. Location Plan Caeneus Lithium Projects

During 2021, the Company received interest from third parties regarding its Columbus Marsh and Rhodes Marsh projects which are located respectively 50 kilometres and 70 kilometres north-west of Albemarle Corporation’s (NYSE: ALB) Silver Peak Mine. Silver Peak is North America’s only producing lithium brine

deposit, and has been in continuous operation since 1966. The CAD Lithium projects are also located 50 kilometres and 70 kilometres respectively north of Ioneer Limited (ASX: INR) and its Rhyolite Ridge Lithium Boron Deposit.

The Company review has highlighted the opportunity to build on relatively minimal and inconclusive exploration activity across both projects. Given this, the Board has concluded that the best method for creating shareholder value is to focus on a recommencement of targeted exploration activities in the first half of 2022. To maximise efficiency in its efforts given the cross border challenges in the current global situation, the exploration program and development of the projects will be conducted by a joint collaboration between the Caeneus Australian technical team who will oversee the program and the Company's North American-based geological consultants who are best positioned to complete all 'on-ground' activity. Initially, further geophysics is planned ahead of additional drilling which to date, comprises a total of just one drill hole at Columbus Marsh and no historical drilling at Rhodes Marsh.

Commenting on the proposed new lithium activities for the USA properties, Caeneus' Non-Executive Chairman Mr Davide Bosio said **"It's a very exciting time for CAD as we launch into a targeted exploration campaign on these well-located lithium projects. The Board has carefully considered alternatives such as divestment through sale, joint venture or a spin-out, however, in light of the world's continued demand for lithium and the significant untested potential across both projects, we firmly believe that the best value for shareholders can be achieved by focussing on near-term exploration and development, managed by our existing team. With the on-going activities across our Pilbara gold projects in the Mallina Basin and our renewed interest in lithium, we look forward to an exciting time ahead for CAD shareholders!"**

Historic exploration activities by CAD occurred in 2017 and only focussed on Columbus Marsh, where a single drill hole was completed after a localised gravity and magnetotelluric survey. Lithium analyses from the drill hole indicated brine assays ranging between 56 mg/l to 96 mg/l.¹ These results are considered encouraging and require further drilling to test other stratigraphy and untested geophysical features. As a guide, the Silver Peak mine produces a lithium brine grade of 150 mg/l to 200 mg/l.²

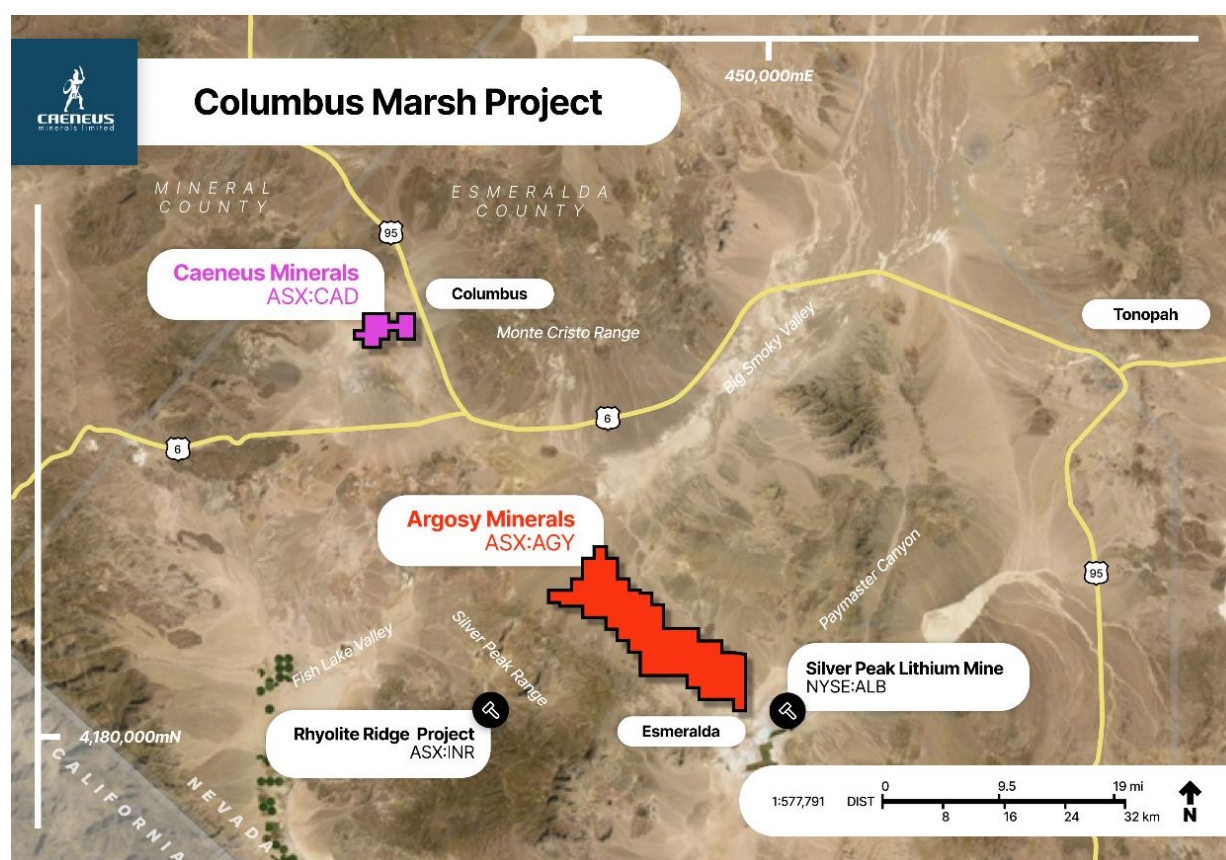


Figure 2: Columbus Marsh Project Map

The Company's Rhodes Marsh project which is approximately 15 kilometres north-west of Columbus Marsh has not been the subject of any exploration activity. A small magnetotelluric survey will be considered as a prelude to a small drilling program.

It is the Company's intention to explore the USA Lithium projects alongside its prospective gold Roberts Hill and Mount Berghaus projects in the Pilbara region of Western Australia. Plans for the Company's 2022 exploration efforts in the Mallina Basin will be released in the coming weeks, after the Company receives its results from recent drilling.

Further information will be provided prior to the commencement of exploration activities.

This announcement has been authorised for release by the Caeneus Board of Directors.

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References

- 1 **CAD ASX Announcement** - Columbus Marsh Lithium Brine Project Adds Another Brine Zone, 5 July 2018
- 2 **Silver Peak Lithium Project** – Western Mining History <https://westernmininghistory.com/mine-detail/10295160/>

Competent Persons Statement

The information contained in this report to exploration results relates to information compiled or reviewed by Mr Robert Mosig MSc, FAICD. Mr Mosig is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM) and is the Company's Chief Executive Officer. Mr Mosig has sufficient experience of relevance to the styles of mineralization and the types of deposits under investigation, and to the activities undertaken to qualify as a Competent Person as defined in the 2012 edition of the Joint Ore Reserve Committee (JORC) "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Mosig consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

Forward Looking Statements Disclaimer

This announcement contains forward-looking statements that involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.