



Arcadia Minerals Limited

Guernsey Registration: 68211

ARBN: 646 114 749

Notice of Annual General Meeting and Explanatory Memorandum

Date of Meeting

Tuesday 5 April 2022

Time of Meeting

2:00pm (Western Standard Time **(WST)**)

Place of Meeting

108 Outram Street, West Perth WA 6005

A Proxy Form is enclosed

Please read this Notice of Annual General Meeting and Explanatory Memorandum carefully.

Please complete the Proxy Form or voting instruction enclosed and return it in accordance with the instructions set out on that form.

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TIME AND PLACE OF ANNUAL GENERAL MEETING AND HOW TO VOTE

The First Annual General Meeting of the Members of Arcadia Minerals Limited (incorporated with limited liability in Guernsey with registration number 68211) (the **Company**) will commence **at** 2:00pm (Western Standard Time) on 5 April 2022 at 108 Outram Street, West Perth, 6005, Western Australia.

The Directors have set the date to determine the identity of those entitled to attend, speak and vote at the Meeting. The date is 3 April 2022 at 2:00pm (Western Standard Time).

How you will be able to vote depends if you are a shareholder or a Chess Depository Interest (**CDI**) holder. The majority of voters will be CDI holders. Both methods are listed below.

CHESS DEPOSITARY INTERESTS

CDI Holders are invited to attend and speak at the Meeting but are not entitled to vote at the Meeting. In order to have votes cast at the Meeting on their behalf, CDI holders must complete, sign and return the Voting Instruction Form (as attached to this Notice of Annual General Meeting) as per the information below so that CHESSE Depository Nominees Pty Ltd (**CDN**) can vote the underlying Shares on their behalf.

SHAREHOLDERS

Ordinary Shareholders may vote by attending the Meeting in person, by proxy or by authorised representative. Shareholders of the Company, entitled to attend, speak and vote are entitled to appoint one or more proxies to attend, speak and vote at this Meeting. The completion and return of a valid form of proxy will not prevent holders of ordinary Shares from attending, speaking and voting in person at the Meeting if so desired. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a Shareholder of the Company.

VOTING IN PERSON

To vote in person you need to attend the Meeting on the date and at the place set out above.

ATTENDANCE AT MEETINGS

All holders of Shares appearing in the Company's Register of Shareholders at 3 April 2022 at 2:00pm Western Standard Time will be entitled to attend and vote at the Meeting. Given the current COVID-19 pandemic, voters are urged to vote by completing and returning the Voting Instruction Form.

PROXY FORM AND CDI VOTING INSTRUCTION FORM

To be effective, the Proxy or Voting Instruction Form must be received by the Company no later than 2:00pm Western Standard Time on 3 April 2022. You should submit your Proxy Form or Voting Instruction Form in accordance with the instructions on that form.

Your Proxy Form or Voting Instruction Form is enclosed with this Notice, depending on your holder status.

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NOTICE IS HEREBY GIVEN that the first annual general meeting (the **AGM**) of the members of the Company will be held at the offices of 108 Outram Street, West Perth, 6005, Western Australia on 5 April 2022 at 2:00pm, (AWST) for the purposes of transacting the business referred to in this Notice of Annual General Meeting.

An Explanatory Memorandum containing information in relation to each of the following Resolutions accompanies this Notice.

AGENDA

Words and expressions defined in the Articles shall, save where the context otherwise requires, bear the same meanings in the following resolutions:

RESOLUTION 1 – RECEIVE AND CONSIDER THE ANNUAL FINANCIAL STATEMENTS, THE DIRECTORS' REPORT AND THE REPORT OF THE INDEPENDENT AUDITORS

To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That the annual financial statements (including a profit and loss account and a balance sheet), the directors report and the report of the independent auditors for the year ended 30 June 2021 be received and considered.”

RESOLUTION 2 – APPOINTMENT OF RSM AUSTRALIA PARTNERS AS INDEPENDENT AUDITORS UNTIL THE NEXT ANNUAL GENERAL MEETING

To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That RSM Australia Partners be appointed as independent auditors of the Company from the conclusion of this annual general meeting until the conclusion of the next annual general meeting of the Company”

RESOLUTION 3 – APPROVE THE AUDIT FEE OF \$25,000 FOR THE YEAR ENDED 30 JUNE 2021

To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That the audit fees of \$25,000 for the year ended 30 June 2021 be approved.”

RESOLUTION 4 – RE-ELECTION OF DIRECTOR MICHAEL DAVY

To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

'That Michael Davy, who retires by rotation in accordance with Article 23.7 of the Articles of Incorporation, Listing Rule 14.5 and for all other purposes, and, being eligible and offering himself for re-election, is re-elected as a Director on the terms and conditions in the Explanatory Memorandum.'

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RESOLUTION 5 – RE-ELECTION OF DIRECTOR ANDREW LAW

To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Articles 23.5 of the Articles of Incorporation and for all other purposes, Mr Andrew Law, a Director who was appointed to fill a casual vacancy on 24 September 2021, retires, and being eligible, is re-elected as a Director of the Company on the terms and conditions in the Explanatory Memorandum.”

RESOLUTION 6 – RE-ELECTION OF DIRECTOR JOHAN LE ROUX

To consider and if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

‘That Johan Le Roux, who retires by rotation in accordance with Article 23.7 of the Articles of Incorporation, Listing Rule 14.5 and for all other purposes, and, being eligible and offering himself for re-election, is re-elected as a Director on the terms and conditions in the Explanatory Memorandum.’

RESOLUTION 7 – APPROVAL OF 7.1A MANDATE

To consider and if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

“That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of the number of Equity Securities equal to up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.”

RESOLUTION 8: CHANGE TO NATURE AND SCALE OF ACTIVITIES – PROPOSED ACQUISITION

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

“That, for the purpose of Listing Rule 11.1.2 and for all other purposes, approval is given for the Company to make a significant change to the scale of its activities resulting from completion of the Proposed Acquisition, as described in the Explanatory Statement.”

Voting exclusion statement:

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of a counterparty to the transaction that, of itself or together with one or more transactions, will result in a significant change to the nature and scale of the entity’s activities and any other person who will obtain a material benefit as a result of the transaction (except a benefit solely by reason of being a Shareholder), or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

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- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Dated: 3 March 2022

By Order of the Board

Kyla Garic

Local Agent

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EXPLANATORY NOTE TO RESOLUTIONS

1. RESOLUTION 1 – RECEIVE AND CONSIDER THE ANNUAL FINANCIAL STATEMENTS, THE DIRECTORS' REPORT AND THE REPORT OF THE INDEPENDENT AUDITORS

Resolution 1, which is an ordinary resolution, proposes that the annual financial statements, the directors report and the report of the independent auditors for the year ended 30 June 2021 be received and considered.

Directors' recommendation

The directors unanimously recommend that you vote in favour of the resolution.

2. RESOLUTION 2 – APPOINTMENT OF RSM AUSTRALIA PARTNERS AS INDEPENDENT AUDITORS UNTIL THE NEXT ANNUAL GENERAL MEETING

Resolution 2, which is an ordinary resolution, proposes that RSM Australia Partners be appointed as independent auditors of the Company from the conclusion of this annual general meeting until the conclusion of the next annual general meeting of the Company. In accordance with section 257 of the Companies (Guernsey) Law, shareholders are required to approve the appointment of the Company's auditors each year to hold office until the next annual general meeting of the Company.

RSM Australia Partners have indicated they are in a position to accept appointment as independent auditors of the Company for the year ended 30 June 2022.

Directors' recommendation

The directors unanimously recommend that you vote in favour of the resolution.

3. RESOLUTION 3 – APPROVE THE AUDIT FEE OF \$25,000 FOR THE YEAR ENDED 30 JUNE 2021

Resolution 3, which is an ordinary resolution, proposes that the audit fees of \$25,000 for the year ended 30 June 2021 be approved. In accordance with section 259 of the Companies (Guernsey) Law, shareholders are required to approve the remuneration of the Company's auditors. The audit fee is in respect of services rendered for the external audit of the Company for the year ended 30 June 2021.

Directors' recommendation

The directors unanimously recommend that you vote in favour of the resolution.

4. RESOLUTION 4 – RE-ELECTION OF DIRECTOR MICHAEL DAVY

4.1 General

Article 23.7 of the Articles of Incorporation requires that one third of the Directors (excluding the Managing Director) must retire at each annual general meeting (or if that is not a whole number, the whole number nearest to one third, rounded down).

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Article 23.7 of the Articles of Incorporation requires that the Directors to retire are those who have held their office as Director for the longest period since their last election or appointment to that office. In the event two or more Directors have held office for equal periods of time, the retiring Directors are to be determined by lot, unless otherwise agreed by those Directors.

Article 23.8 of the Articles of Incorporation provides that a Director who retires in accordance with Article 23.7 is eligible for re-election.

As at the date of this Notice, the Company has five Directors and accordingly, two Directors must retire. Non-Executive Director Michael Davy was appointed on 6 November 2020. Michael Davy retires by rotation at this Meeting and, being eligible, seeks re-election pursuant to **Error! Reference source not found.4.**

If elected, the Board considers Michael Davy to be an independent director.

4.2 Michael Davy

Michael Davy is an Australian executive and Accountant with over 16 years' experience across a range of industries.

Michael previously held a senior management role in Australia for Songa Offshore (listed Norwegian Oil and Gas drilling company), where he assisted with the start-up of the Australian operations and managed the finance team for a two rig operation with multi-hundred million dollar revenues. Prior to that Michael had worked in Australia and London for other large organisations overseeing various finance functions.

Michael is currently a director and owner of a number of successful private businesses all under his personal management. During the past three years, Michael has held the following directorships in other ASX listed companies: Raiden Resources Limited (current), Vanadium Resources Limited (current), Riversgold Limited (resigned 24 June 2020) and Jadar Lithium Limited (resigned 15 April 2019).

4.3 Additional information

Resolution 4 is an ordinary resolution.

The Board considers that Michael has made and continues to make a significant and valuable contribution to the Company through demonstrating a high level of corporate leadership. Michael provides the Board with extensive experience in strategy and financing. The Board believes that the qualifications, skill set and experience of Michael will continue to enhance the Board's ability to perform its role. For these reasons, the Board (with Mr Davy abstaining) recommends that Shareholders vote in favour of Resolution 4.

If Resolution 4 is passed, Michael Davy will be appointed as a Non-Executive Director of the Company.

If Resolution 4 is not passed, Michael Davy will not be appointed as a Non-Executive Director of the Company.

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5. RESOLUTION 5 – RE-ELECTION OF DIRECTOR ANDREW LAW

5.1 General

Resolution 5 seeks approval for election of Mr Andrew Law as a Director.

Article 23.5 of the Articles of Incorporation provides that the Directors may appoint a person to be a Director and provides that any Director so appointed holds office until the following Annual General Meeting and is then eligible for election.

Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is longer. However, a director appointed to fill a casual vacancy or as an addition to the board must not hold office (without re-election) past the next annual general meeting of the entity.

Mr Law having been appointed to fill a casual vacancy on 24 September 2021 will retire in accordance with clause 23.6 of the Articles and being eligible seeks re-election.

5.2 Qualifications and other material directorships

Andrew Law (MBA, MMin, FAusIMM(CP), FIQ(Aus), MAICD, AFAIM) has over 35 years' experience in the mining and Resources industry in Australia, Africa and South America. Andrew's extensive technical and management experience ranges from deep level underground mining environments to large open pit environments and large mineral sands mining and dredging environments.

Executive Management experience has been gained at both the Corporate and Executive operational levels at Anglo American, Plutonic Resources, Downer Group, Placer Dome, Mundo Minerals and Optiro Limited. Until recently, Andrew was the Executive Director – Projects at Relentless Resources Limited.

Andrew's specialist skills are in Corporate strategic business planning, execution, and governance across a wide range of mineral commodities; project management; management of feasibility studies; Ore Reserve compliance and auditing (ASX, TSX, SEC, SGX, JSE); project acquisitions, valuations and due diligence; operational performance management and optimisation; mentoring executive corporate personnel and operational management, as well as peer reviewing mining studies and projects.

5.3 Additional information

Resolution 5 is an ordinary resolution.

The Board considers that Mr Law, if re-elected is classified as an independent director.

If Resolution 5 is not passed, Mr Law will not be appointed as an independent director of the Company.

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6. RESOLUTION 6 – RE-ELECTION OF JOHAN LE ROUX

6.1 General

Resolution 6 seeks approval for election of Mr Johan Le Roux as a Director.

Article 23.7 of the Articles of Incorporation requires that one third of the Directors (excluding the Managing Director) must retire at each annual general meeting (or if that is not a whole number, the whole number nearest to one third, rounded down).

Article 23.7 of the Articles of Incorporation requires that the Directors to retire are those who have held their office as Director for the longest period since their last election or appointment to that office. In the event two or more Directors have held office for equal periods of time, the retiring Directors are to be determined by lot, unless otherwise agreed by those Directors.

Article 23.8 of the Articles of Incorporation provides that a Director who retires in accordance with Article 23.7 is eligible for re-election.

As at the date of this Notice, the Company has five Directors and accordingly, two Directors must retire. Non-Executive Director Johan Le Roux was appointed on 6 November 2020. Johan Le Roux retires by rotation at this Meeting and, being eligible, seeks re-election pursuant to **Error! Reference source not found.6.**

If elected, the Board considers Johan Le Roux to be a non-independent director.

6.2 Johan Le Roux

Johan is a business development executive with an accounting background. For the past 12 years, he has been the Business Development Manager of SPH Kundalila (Pty) Ltd, a leading mining services provider that is a wholly owned subsidiary of JSE-listed Raubex Group Limited. Johan holds a Bachelor of Commerce degree from Stellenbosch University and a Master of Business Administration from the University of Stellenbosch Business School.

6.3 Additional information

Resolution 6 is an ordinary resolution.

The Board considers that Johan has made and continues to make a significant and valuable contribution to the Company through demonstrating a high level of corporate leadership. Johan provides the Board with extensive experience in strategy and financing. The Board believes that the qualifications, skill set and experience of Johan will continue to enhance the Board's ability to perform its role. For these reasons, the Board (with Mr Le Roux abstaining) recommends that Shareholders vote in favour of Resolution 6.

If Resolution 6 is passed, Johan Le Roux will be appointed as a Non-Executive Director of the Company.

If Resolution 6 is not passed, Johan Le Roux will not be appointed as a Non-Executive Director of the Company.

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7. RESOLUTION 7 – APPROVAL OF 7.1A MANDATE

7.1 General

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to an extra 10% of its issued share capital to increase this 15% limit to 25%, through placements commencing from the date of the annual general meeting where the Company obtains Shareholder approval by way of special resolution being passed, until the earlier of the following occurs:

- (a) the date that is 12 months after the date of the Meeting at which the approval is obtained;
- (b) the time and date of the Company's next annual general meeting; or
- (c) the time and date of the approval of Shareholders of a transaction under Listing Rule 11.1.2 or 11.2 in respect of the Company,

(7.1A Mandate).

An "eligible entity" for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. As at 24 January 2022, the Company is an "eligible entity" for these purposes as it is not included in the S&P Index and has a market capitalisation of approximately \$21,375,025 (based on the number of Shares on issue and the closing price of Shares on ASX on 20 January 2022).

The Company is now seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 7.1A Mandate.

- 7.2** The exact number of Equity Securities to be issued under the 7.1A Mandate will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer Section (c) below).

Description of Listing Rule 7.1A

(a) CDI and Shareholder approval

The ability to issue Equity Securities (such as Shares and CDIs) under the 7.1A Mandate is subject to shareholder approval by way of a special resolution at an annual general meeting.

Accordingly, at least 75% of votes cast by Shareholders present and eligible to vote at the Meeting must be in favour of Resolution 6 for it to be passed.

(b) Equity Securities

Any Equity Securities issued under the **7.1A Mandate** must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue one class of quoted Equity Securities, being CDIs (ASX: AM7)

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(c) Formula for calculating 7.1A Mandate

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

Where:

- A** is the number of shares on issue at the commencement of the relevant period:
- (i) plus the number of fully paid shares issued in the relevant period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17;
 - (ii) plus the number of fully paid shares issued in the relevant period on conversion of convertible securities within Listing Rule 7.2, Exception 9 where:
 - (a) the convertible securities were issued or agreed to be issued before the commencement of the relevant period; or
 - (b) the issue of, or agreement to issue, the convertible securities was approved, or taken to have been approved, under Listing Rule 7.1 or Listing Rule 7.4;
 - (iii) plus the number of fully paid shares issued in the relevant period under an agreement to issue securities within Listing Rule 7.2, Exception 16 where:
 - (a) the agreement was entered into before the commencement of the relevant period; or
 - (b) the agreement or issue was approved, or taken under the rules to have been approved under Listing Rule 7.1 or Listing Rule 7.4;
 - (iv) plus the number of partly paid shares that became fully paid in the relevant period;
 - (v) plus the number of any other fully paid shares issued in the relevant period with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
 - (vi) less the number of fully paid shares cancelled in the relevant period.
- Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.*
- D** is 10%.
- E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the relevant period where the issue or agreement has not been subsequently approved by shareholders under Listing Rule 7.4 and the relevant period has the same meaning as in Listing Rule 7.1.

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8. Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- *the date on which the price at which the Equity Securities are to be issued is agreed; or*
- *if the Equity Securities are not issued within 10 Trading Days of the date in the paragraph above, the date on which the Equity Securities are issued.*

9. 10% Placement Period

Shareholder approval of the 7.1A Mandate is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- *the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or*
- *the time and date of the Company's next annual general meeting; or*
- *the time and date of the approval by Shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),*

or such longer period if allowed by ASX (**10% Placement Period**).

10. What is the effect of Resolution 7

If Resolution 7 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 7 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing Rule 7.1A, and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

Resolution 7 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative) on the Resolution.

11. Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, the following information is provided in relation to the 7.1A Mandate:

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(a) **Minimum Issue Price**

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- *the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or*
- *if the Equity Securities are not issued within 10 Trading Days of the date in the paragraph above, the date on which the Equity Securities are issued.*

(b) **Risk of Economic Dilution**

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If this Resolution is approved by Shareholders and the Company issues the maximum number of Equity Securities under the 7.1A Mandate, the existing Shareholders' economic and voting power in the Company will be diluted as shown in the below table (in the case of Options, only if the Options are converted into Shares). The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis of the closing market price of Shares and the number of Equity Securities on issue or proposed to be issued as at 2 March 2022.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 7.1A Mandate.

(i)

Share on issue Variable A in Listing Rule 7.1A.2	Dilution			
	Issue price per Share	\$0.1175 50% decrease in Issue Price	\$0.235 Issue Price	\$0.47 100% increase in Issue Price
85,500,100 Shares	10% Voting Dilution	8,550,010 Shares	8,550,010 Shares	8,550,010 Shares
Current Variable A	Funds raised	\$1,004,626	\$2,009,252	\$4,018,505
128,250,150 Shares	10% Voting Dilution	12,825,015 Shares	12,825,015 Shares	12,825,015 Shares
50% increase in current Variable A	Funds raised	\$1,506,939	\$3,013,879	\$6,027,757

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Share on issue Variable A in Listing Rule 7.1A.2	Dilution			
	Issue price per Share	\$0.1175 50% decrease in Issue Price	\$0.235 Issue Price	\$0.47 100% increase in Issue Price
171,000,200 Shares	10% Voting Dilution	17,100,020 Shares	17,100,020 Shares	17,100,020 Shares
100% increase in current Variable A	Funds raised	\$2,009,252	\$4,018,505	\$8,037,009

Notes:

The table has been prepared on the following assumptions:

- The issue price is \$0.235 being the closing price of the CDIs on ASX on 2 March 2022, being the latest practicable date before the date of this Notice;
- Variable A is 85,500,100, comprising 85,500,100 existing CDIs on issue as at the date of this Meeting, assuming the Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2, with Shareholder approval under Listing Rule 7.1.
- The Company issues the maximum number of Equity Securities available under the 7.1A Mandate;
- The issue of Equity Securities under the 7.1A Mandate consists only of Shares/CDIs. If the issue of Equity Securities includes quoted Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
- The number of CDIs on issue (i.e. Variable A) may increase as a result of issues of Shares that do not require Shareholder approval (for example, a pro rata entitlements issue, scrip issued under a takeover offer or upon exercise of convertible securities) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting.
- This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
- The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A Mandate, based on that Shareholder's holding at the date of the Meeting.

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Shareholders should note that there is a risk that:

- the market price for the Company's CDIs may be significantly lower on the date of the issue of the CDIs than on the date of the Meeting; and
- the CDIs may be issued at a price that is at a discount to the market price for the Company's CDIs on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

(c) **Use of funds raised under the 7.1A Mandate**

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for:

- the acquisition of new resources, assets and investments (including expenses associated with such an acquisition);
- continued exploration expenditure on the Company's current assets/or projects (funds would then be used for project, feasibility studies and ongoing project administration); and
- general working capital.

(d) **Allocation policy**

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 7.1A Mandate. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (a) the purpose of the issue;
- (b) the methods of raising funds that are available to the Company, including but not limited to, a rights issue, share purchase plan or other issue in which existing security holders can participate;
- (c) the effect of the issue of the Equity Securities on the control of the Company;
- (d) financial situation and solvency of the Company;
- (e) prevailing market conditions; and
- (f) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 7.1A Mandate have not been determined as at the date of the Notice but may include existing substantial Shareholders and/or new Shareholders who are not a related party or an associate of a related party of the Company.

(e) **Issues in the past 12 months**

The Company has not previously obtained Shareholder approval under Listing Rule 7.1A. Accordingly, the Company has not issued any Equity Securities under Listing Rule 7.1A.2 in the twelve months preceding the date of the Meeting.

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(f) **Voting exclusion statement**

A voting exclusion statement is not included in the Notice.

12. RESOLUTION 8 – CHANGE TO NATURE AND SCALE OF ACTIVITIES – PROPOSED ACQUISITION

12.1 Information in relation to the Proposed Acquisition

Listing Rule 11.1.2

Listing Rule 11.1 provides that where an entity proposes to make a significant change, either directly or indirectly, to the nature or scale of its activities, it must provide full details to ASX as soon as practicable (and before making the change) and comply with the following:

- (a) provide to ASX information regarding the change and its effect on future potential earnings, and any information that ASX asks for;
- (b) if ASX requires, obtain the approval of holders of its shares and comply with any requirements of ASX in relation to the notice of meeting; and
- (c) if ASX requires, meet the requirements of Chapters 1 and 2 of the Listing Rules as if the entity were applying for admission to the Official List.

Following consultation with ASX, ASX has advised that the entry into the Proposed Acquisition (as defined below), the subject of Resolution 10, will result in a significant change to the scale of the Company's activities and that Listing Rule 11.1.2 will consequently apply to the Proposed Acquisition.

Accordingly, the Company is required to seek Shareholder approval for the Proposed Acquisition pursuant to Listing Rule 11.1.2 but is not required to re-comply with the requirements of Chapters 1 and 2 of the Listing Rules.

If Resolution 10 is passed, the Company will be able to proceed with the Proposed Acquisition, which will allow the Company to change the scale of its activities.

If Resolution 10 is not passed, the Company will not be able to proceed with the Proposed Acquisition and there will be no change to the scale of the Company's activities and the Company will continue its focus on its existing projects.

The Company also confirms, per the requirements of ASX Guidance Note 12, that ASX takes no responsibility for the contents of this Notice.

Background to Proposed Acquisition

Mr Leon van Neel (the **Vendor**) owns 100% of the issued capital of Bitterwasser Lithium Exploration (Pty) Ltd (**BLE**), an exploration company which holds the Bitterwasser Lithium-in-Clay Project (**Bitterwasser Clay Project**) comprising three exclusive prospecting licences (EPL 5353, EPL 5354 and EPL 5358) (together, the **EPLs**) located in the Hardap Region of central Namibia. Further details in respect of the Bitterwasser Clay Project are set out in the Independent Geologist's Report which is included at Schedule 1 and the Solicitor's Report on Tenements which is included at Schedule 2.

On 1 February 2019, LexRox Management Services (Pty) Ltd (**LexRox**), a South African company owned and operated by the executive directors of Arcadia, entered into an acquisition agreement

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with the Vendor, pursuant to which LexRox has the right to acquire up to 100% of the issued capital in BLE (**Acquisition Agreement**). When LexRox signed the Acquisition Agreement, a condition of the Acquisition Agreement was that the EPL's, which were in the Vendor's personal name (Mr van Neel), were to be transferred to BLE and that BLE would have one director nominated by the Vendor i.e. Mr van Neel and two LexRox directors. As the directors of LexRox are Mr Wessels and Mr Le Roux, they were appointed to the board of BLE. Mr van Neel remained the 100% shareholder of BLE. Mr Wessels and Mr Le Roux only knew the Vendor by him being the owner of the EPL's, in which they were interested in from an exploration point of view.

As announced on 3 November 2021, Brines Mining and Exploration Namibia (Pty) Ltd (**BME**), being a subsidiary of Arcadia Minerals Ltd, has entered into a deed of cession with LexRox, pursuant to which it will have the right to assume the rights and obligations of LexRox under the Acquisition Agreement (**Deed of Cession**)

Pursuant to the Deed of Cession, BME will have a right to acquire up to 100% of the issued capital of BLE (**Proposed Acquisition**). No consideration is to be paid by BME to LexRox pursuant to the Deed of Cession. However, BME has agreed to pay LexRox an amount of N\$578,000 (approximately A\$52,836 at the date of this notice) in reimbursement of expenses spent by LexRox on the preservation and continued advancement of the Bitterwasser Clay Project to keep the EPLs in good standing and to conduct exploration works, the amount is an increase of approximately \$35,000 AUD from the \$18,000 at the 3 November 2021.

The key terms of the Acquisition Agreement, as acceded to by BME pursuant to the Deed of Cession, are as follows:

- (a) **(First Option)**: BME will have a right to conduct further exploration up to 16 May 2022, before which date BME may exercise an option to acquire 25% of the share capital of BLE from the Vendor for consideration of N\$1 million (approximately A\$92,000);
- (b) **(Second Option)**: if BME exercises the First Option, it will hold a second option for an additional two years from the date it acquired the initial 25% of BLE, to conduct additional exploration work for clay mineralisation, which option, once exercised, will allow BME to acquire 75% of BLE (and thereby own 100% of BLE) from the Vendor in consideration of N\$2 million (approximately A\$184,000);
- (c) **(Additional Option)**: if BME exercises the First Option (and provided that BME has not exercised the Second Option for clay mineralisation) it will hold an additional option for an additional two years from the date it acquired the initial 25% of BLE, to acquire 100% of the EPLs for an additional cash payment of N\$7 million (approximately A\$643,000). If the Second Option has been exercised, BME will not be required to exercise this Additional Option because it will own 100% of the EPLs, however BME may be required to make the DFS Payment in the circumstances set out below, as noted in the ASX announcement released 03 November 2021, the EPLs have declared JORC Mineral Resource Estimate indicative of the existence of lithium clays. On this basis the intention of the Company is to proceed under the Second Option
- (d) **(DFS Payment)**: provided that BME has not exercised the Additional Option, BME must make an additional cash payment of N\$7 million (approximately A\$643,000) (**DFS Payment**) upon the completion of a definitive feasibility study over a resource containing not less than 500,000 tons of Lithium Carbonate Equivalent (**LCE**) arising from potential lithium-in-brines resident under the three EPLs (comprising the

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Bitterwasser Clay Project) at a minimum viable grade that results in a positive definitive feasibility study (DFS);

- (e) **(Extension of Time)**: The time periods noted above will be extended if (i) BME is unable to conduct its planned and reasonable exploration works due to landowner's withholding reasonable and lawful access; (ii) ministerial consent is required to be obtained; (iii) force majeure conditions exist which make it impossible to conduct exploration works;
- (f) **(Free Carry)**: the Vendor will hold a free-carried interest of 75% in BLE until the first to occur of the exercise of the Second Option, the exercise of the Additional Option or the DFS Payment is made. If BME withdraws from funding exploration after exercise of the First Option, but prior to exercise of the Second Option or completion of a pre-feasibility study, BME's equity interest in BLE will dilute;
- (g) **(Directors)**: the Board of BLE will comprise three directors, of which BME will be entitled to appoint two directors and the Vendor will be entitled to appoint one director. If BME withdraws from funding exploration after exercise of the First Option, but prior to exercise of the Second Option or completion of a pre-feasibility study, BME will be entitled to appoint one director to the board of BLE until it owns an equity interest of less than 5% and
- (h) **(Termination)**: The Acquisition Agreement will terminate (i) upon unremedied default by the Vendor or BME; (ii) upon expiry of any of the option periods set out above in circumstances where BME has not elected to exercise the option; (iii) upon BME not having completed a DFS within two years of exercise of the Second Option; (iv) upon the date that BME withdraws from funding further exploration following exercise of the First Option; (v) by the Vendor as a result of BME failing to fund exploration activities over the EPLs in order to keep the EPLs in good standing; or (vi) by BME as a result of the EPLs not being capable of transfer or lawful exploration.

As the Bitterwasser Clay Project is proposed to be acquired by BME, the management of the Bitterwasser Clay Project, including the payment of the option fees noted above, will occur in accordance with the terms of the shareholders agreement which was entered into between the Company, BME and the original shareholders of BME, further details in respect of which are set out in the Company's initial public offer prospectus which was released on ASX on 23 June 2021 (**Prospectus**).

Board and Management

The Board of Directors and management of the Company will not change as a result of the Proposed Acquisition.

Changes to Business

The Company will not make any changes to its business model as a result of the Proposed Acquisition.

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Pro forma balance sheet

The unaudited pro forma balance sheet shown below has been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma balance sheet has been prepared to provide Shareholders with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

The likely effect of the Proposed Acquisition on the Company's capital structure, consolidated total assets, total equity interests, annual revenue, annual expenditure and profit before tax is set out below:

	unaudited unreviewed report at 31 December 2021	acquisition of 100% of BLE by BME (which is 100% held by AM7)	proforma consolidated
NON-CURRENT ASSETS			
Plant and equipment	10,900		10,900
Capitalised exploration costs	10,502,360	163,418	10,665,778
TOTAL NON-CURRENT ASSETS	10,513,260	163,418	10,676,678
CURRENT ASSETS			
Cash and cash equivalents	4,183,125	(326,835) ¹	3,856,290
Trade and other receivables	30,345	-	30,345
TOTAL CURRENT ASSETS	4,213,470	(326,835)	3,886,635
TOTAL ASSETS	14,726,730	(163,417)	14,563,313
EQUITY			
share capital	16,238,127		16,238,127
share premium	-		-
Non-controlling interest	(329,839)	(163,417)	(493,256)
unlisted options	194,204		194,204
performance shares	305,690		305,690
Accumulated losses	(1,738,913)		(1,738,913)
TOTAL EQUITY	14,669,269	(163,417)	14,505,852
CURRENT LIABILITIES			
trade and other payables	57,461		57,461
TOTAL CURRENT LIABILITIES	57,461	-	57,461
TOTAL EQUITY AND LIABILITIES	14,726,730	(163,417)	14,563,313

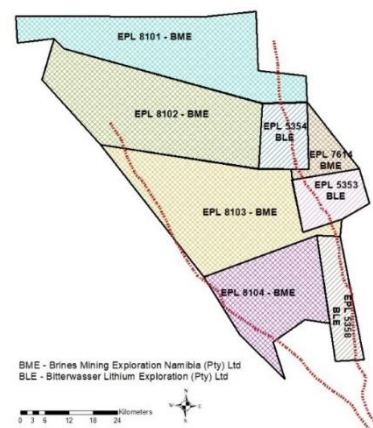
¹ Investment in BLE under exercise of first option (~\$92,000 AUD) and second option (~\$182,000 AUD) and reimbursement of \$52,835 AUD

Bitterwasser Clay Project

The Bitterwasser Clay Project comprises three exclusive prospecting licences (EPL 5353, EPL 5354 and EPL 5358) (**EPLs**) located in the Hardap Region of central Namibia, adjacent to BME's existing Bitterwasser Lithium Project. Renewal of the EPLs is in progress and is expected to be granted by the Ministry of Mines and Energy of Namibia (**MME**) subject to the issuance of environmental clearance certificates, which have been lodged with the Ministry of Environment.

The project complements BME's 3,438km² adjacent Bitterwasser Lithium Project. The proximity and relationship between the EPLs held by BME and BLE are indicated on the map below. The EPLs held by BME and BLE together cover approximately 4,031Km².

Further information in relation to the Bitterwasser Clay Project is set out in the Independent Geological Report located at Annexure A of this Notice and the Solicitor's Report on Tenements located at Annexure B of this Notice.



Business model

The Proposed Acquisition fits within the Company's disclosed business strategy and publicly articulated objective to investigate additional exploration opportunities within Namibia. The location of the Bitterwasser Clay Project is seen as complementary to its existing projects in Namibia.

The Proposed Acquisition will therefore maintain a continuation of the Company's existing business strategy.

Subject to the settlement of the Proposed Acquisition, the Company intends to continue the exploration programmes at its current exploration projects in accordance with the Company's intended exploration programs as detailed in its Prospectus, together with the Company's 2021 annual financial report lodged with ASX on 30 September 2021.

The Company's existing projects at the date of this Notice of Meeting comprise the following:

- (a) the Swanson Project – prospective for tantalum and lithium;
- (b) the Kum-Kum Project – prospective for nickel, copper and platinum group elements;
- (c) the Karibib Project – prospective for copper and gold; and
- (d) the Bitterwasser Project – prospective for lithium-in-brines and lithium-in-clays.

Proposed Exploration Program

Assuming the Proposed Acquisition completes, the Company anticipates the expenditure for the Bitterwasser Clay Project over the next 12 months for exploration and evaluation when compared to the budget outlined in the Prospectus for the Bitterwasser Project will increase by \$150,000, funds will be from working capital.

Consequently, it is currently proposed that the initial exploration budget for the Bitterwasser Project will be as follows:

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Exploration budget – Bitterwasser Lithium Clay Project	Year 1 (\$)
Salaries & Wages	106,100
Project Administration	34,500
Mining Licence Cost	102,300
Field Expenses	19,800
Sample Analyses	17,300
Drilling and Sampling	86,400
Geophysical Survey	18,200
Minerology Metallurgical Test Work	65,900
Scoping Study	168,200
Contingency (10%)	61,900
TOTAL	618,700

The exploration program and budget will be subject to modification on an ongoing basis, depending on the exploration results as they progress.

No capital raising or changes to capital structure

The Company does not intend to undertake a capital raising in conjunction with or issue any securities in consideration of the Proposed Acquisition.

Indicative Timetable

An indicative timetable for completion of the Proposed Acquisition is set out below:

Timetable	Date
Dispatch of Notice of Meeting	14 March 2022
Annual General Meeting	5 April 2022
Completion of Proposed Acquisition	5 April 2022

*Please note that this timetable is indicative only and the Directors of the Company reserve the right to amend the timetable as required.

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DEFINITIONS

In the Notice, words importing the singular include the plural and vice versa.

7.1A Mandate has the meaning given in Section **Error! Reference source not found.**

Annual General Meeting or **Meeting** means the meeting convened by the Notice.

\$ or A\$ means Australian Dollars.

N\$ means Namibian Dollars.

Annual Report means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 30 June 2021.

Article means the Articles of the Company as at the date of the meeting.

ASX means the ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

Auditor's Report means the auditor's report on the Financial Report.

Board means the board of Directors.

Chair means the person appointed to chair the Meeting of the Company convened by the Notice.

Closely Related Party means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

Company means Arcadia Minerals Limited (ARBN 646 114 749).

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

Directors' Report means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Explanatory Memorandum means the explanatory memorandum which forms part of the Notice.

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities.

Listing Rules means the listing rules of ASX.

Meeting has the meaning given in the introductory paragraph of the Notice.

Minimum Issue Price has the meaning given in Section **Error! Reference source not found.**

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Notice means this notice of annual general meeting.

Option means an option to acquire a Share.

Proxy Form means the proxy form enclosed with the Notice.

Remuneration Report means the remuneration report of the Company contained in the Directors' Report.

Resolution means a resolution referred to in the Notice.

Schedule means a schedule to the Notice.

Section means a section of the Explanatory Memorandum.

Securities means any Equity Securities of the Company.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means the holder of a Share.

Strike means a 'no' vote of 25% or more on the resolution approving the Remuneration Report.

Trading Day has the meaning given in the Listing Rules.

VWAP means volume weighted average market price.

WST means Western Standard Time being the time in Perth, Western Australia.

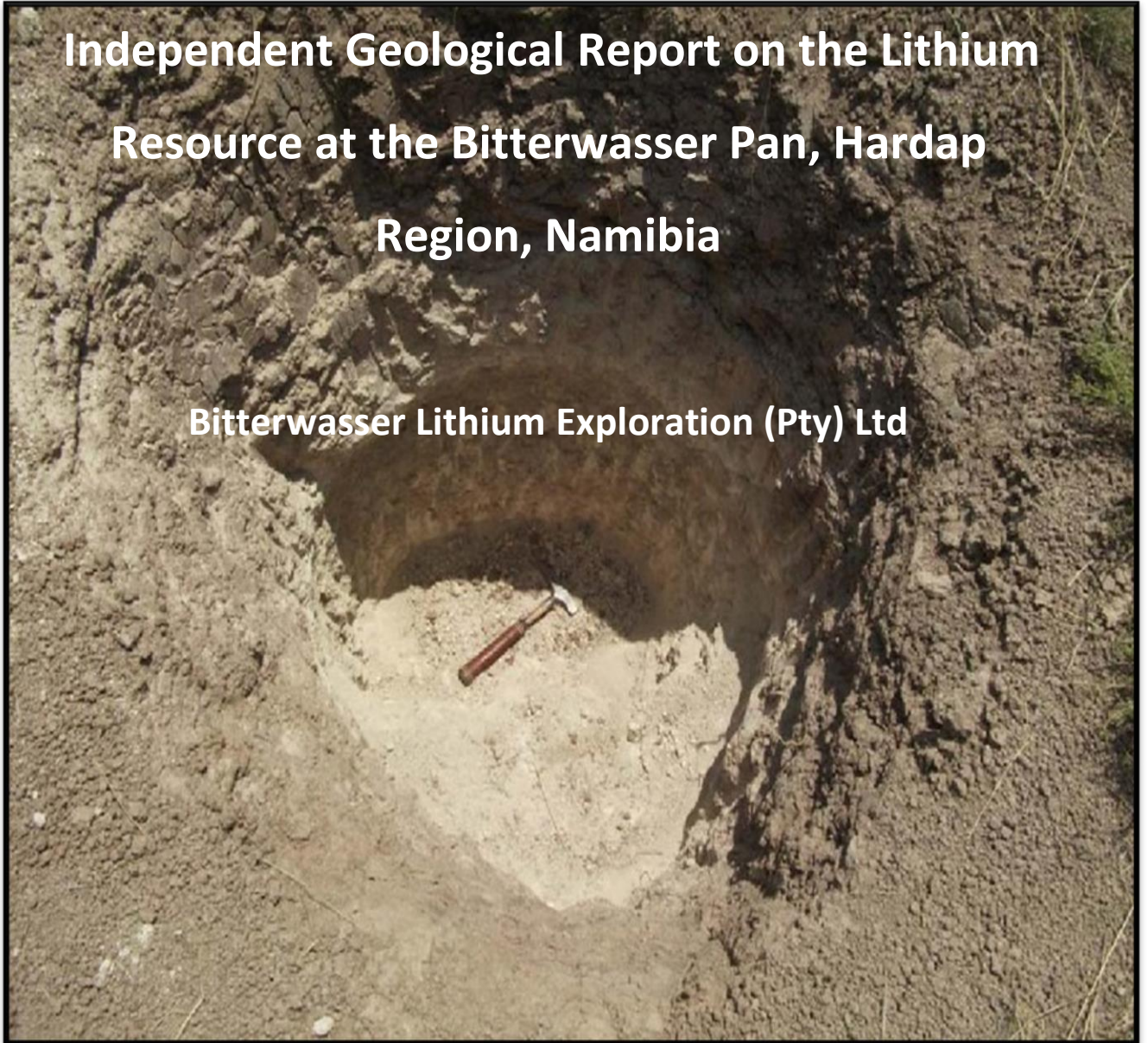
Arcadia Minerals Limited

ARBN: 646 114 749

SCHEDULE ONE - INDEPENDENT GEOLOGIST'S REPORT

**Independent Geological Report on the Lithium
Resource at the Bitterwasser Pan, Hardap
Region, Namibia**

Bitterwasser Lithium Exploration (Pty) Ltd



Dr Johan Hattingh

November 2021

Independent Geological Report on the Lithium Resource at the Bitterwasser Pan, Hardap Region, Namibia

Bitterwasser Lithium Exploration (Pty) Ltd

Prepared by
Johan Hattingh

November 2021

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1. Executive Summary

Bitterwasser Lithium Exploration (Pty) Ltd is a Namibian registered company and owner of Exclusive Prospecting Licenses (EPL) covering the Bitterwasser Project located in the Hardap Region in the southern-central part of Namibia, approximately 190 km south southeast of the capital Windhoek. The Bitterwasser Project comprises three exploration licenses (EPLs 5353, 5354, 5358) held by Bitterwasser Lithium Exploration (Pty) Ltd.

The company is in the process of developing this predominantly lithium project situated in the western part of the Kalahari Desert with reasonable road access in an area that is characterised by wide expanses on Karoo geology substrate covered by red Kalahari sand dunes and well developed saltpans. Work to date was mainly done on the Bitterwasser Main Pan situated on the farms Kentani 181 and Eden 183, between the settlements of Kalkrand and Hoachanas, in the Hardap Region of central Namibia.

The Bitterwasser saltpan complex adheres to first order geological and environmental principles required for the development of significant lithium clay and brine deposits. Such requirements include, but are not limited to, a geographic placing within arid latitudinal belt, presence of Cenozoic-aged fault-bound terrestrial sedimentary basins, proximity to older felsic, carbonatitic and/or alkali volcanic sequences and the presence of regionally extensive brine aquifers.

The Bitterwasser saltpan complex is comprised of seven individual lithium-, potassium- and boron bearing clay substrate saltpans and is associated with the depositional development of the western portions of the greater Kalahari basin. It lies remarkably close to the inferred source of mineralisation, being the Brukkaros volcanic field. Elevated groundwater temperatures, as high as 39 °C, have been reported from water-supply boreholes in close vicinity to the saltpans suggesting a deep seated geothermal heat source and mineralisation provenance. The thickness of the sedimentary packages which make up the Bitterwasser saltpans ranges between 30 m to 100 m thick and are of sufficient size and porosity to accommodate substantial brine aquifers.

A ground electrical conductivity survey was conducted by Geoss for Bitterwasser Lithium Exploration (Pty) Ltd over the Bitterwasser main saltpan and the results indicated the existence of an anomalous electrical-conductive body situated at 20 meters below the ground level. It is likely that this electrical-conductive body is associated with a dense saline and/or brine aquifer and is therefore a highly prospective target for lithium brine explorations.

Prospecting work done since October 2019 on the Bitterwasser Main Pan represents 23% of the total Bitterwasser Pan District surface area and consisted of a number of hand-auger

drillholes across strike of the central portion of the pan. A shallow hand auger drilling programme covering approximately 26 % of the entire surface area of the Bitterwasser Main Pan indicated the presence of significant lithium-clay mineralization overlying the anomalous electrical-conductive body identified during the ground electrical conductivity survey. The lithium-clay mineralization intersected within the relatively small area prospected was spatially continuous, trended moderately sub-parallel to the long axis of the saltpan and yielded consistent bulk Li grades of > 1000 ppm. The clays increased in thickness and lithium content towards the central portions of the pan where Li grades approaching 1200 ppm were encountered, which is in-line with similar projects situated within known and productive lithium mines in other parts of the world where lithium is exploited economically at present.

The exploration programme was aimed at characterizing the general stratigraphic sequence and to investigate the pan's lithium potential in terms of economic viability. Auger sampling confirmed the presence of a lithium rich clay resource comparable in grade and extent to that owned by major exploration companies in Nevada, USA. In addition, it was found that the geological and environmental requirements for the formation of significant lithium clay and brine deposits are present. However, the lithium grade in the brines is yet to be confirmed through appropriate exploration techniques. Sufficient evidence exists to suggest the presence of a lithium bearing brine aquifer in the Bitterwasser saltpan complex. Evidence comes from geological and environmental indicators identified through Bitterwasser Lithium Exploration (Pty) Ltd's reconnaissance exploration efforts to date. This evidence include water-quality data (total dissolved solids and electrical conductivity) from boreholes in the area that is similar to known brine mineralisation in other parts of the world and lithium grades from hand auger drilling as well as the presence of conducive structures that form an enclosed basin as recorded during electromagnetic surveys.

Other economically significant saltpan complexes around the world are associated with anomalous K and B values. The lithium mineralization associated with the pan fill clay-rich lithology documented at Bitterwasser's main saltpan yielded B values of > 400 ppm and K values consistently > 1.8 wt. %. This emphasises the geochemical similarities with other globally significant saltpan complexes.

At Bitterwasser several borehole samples of various lithological units were collected and prepared for ICP-OES and ICP-MS rare earth element analysis (Li only), preliminary metallurgical (leaching) test work and density determinations. Resource estimation was also conducted over the prospected area. A clear geochemical distinction exists between the Upper- and Lower clay, with the Lower Clay Unit being relatively more enriched in Li and K. Drillholes across the central and marginal portions of the pan displays average grade values for the Upper Clay Unit as 551 ppm Li and 1.56 % K, with an average thickness of 2.47 m,

while the average grades for the Lower Clay Unit are 767 ppm Li and 1.75 % K at an average thickness of 5.00 m. Both the Upper clay and Lower Clay Unit demonstrate a correlation between increasing K content and increasing Li content, with both elements appearing to correlate with each other.

The drilling data was used to generate a block model of the drilled portion of the pan sediment. Both the Upper and the Lower Clay Unit is considered prospective when considering the typical cut-off grades for resources of similar geological settings. Resource estimates for the area drilled in the central part of the Bitterwasser Pan area represents some 26% of the Bitterwasser Main Pan. A resource of 15.1 million tonnes at a grade of 828 ppm Li and 1.79% K was estimated at this portion of the pan and is considered to be a representative estimate for the portion of the deposit covered by drilling.

Creo considers that the quality of the drilling, sampling, sample preparation and sample handling to be of a high standard. Sampling and sample processing were considered sufficient to delineate a Mineral Resource to the level of confidence required by JORC to classify the drilled portion of the Bitterwasser Lithium Exploration (Pty) Ltd exploration area in the Bitterwasser Main Pan as an Inferred Mineral Resource.

In addition to the Bitterwasser Man Pan, six neighbouring pans still remain unexplored and will receive attention in future exploration phases.

2. Introduction and Terms of Reference

2.1. Introduction

This report has been prepared as a technical review document recording the current status of exploration work at EPL 5353 in Namibia, and it therefore reflects exploration results to date and declares resources that were defined by results from the current exploration campaign.

The report was prepared at the request of the Board of Bitterwasser Lithium Exploration (Pty) Ltd (BLE) and in the execution of the mandate, a technical assessment has been prepared for BLE in compliance with and to the extent required by the JORC Code issued by the Australasian Institute for Mining and Metallurgy (“AusIMM”), under whose technical jurisdiction these mineral resources fall. The guidelines as set out in the JORC Code are considered by BLE to be a concise recognition of the best practice reporting methods for this type of mineral development, and accord with the principles of open and transparent disclosure that are embodied in internationally accepted Codes for Corporate Governance.

This report describes the exploration results and mineral resource at the EPL 5353 and has been based upon exploration data provided by the geologists of BLE, which has been thoroughly due diligenced by the author.

2.2. Competent Person, Site Visit and Data Validation

The Competent Person of this Technical Report states that he is a competent person for the areas as identified in the appropriate “Certificate of Competent Person” attached to this report. Johan Hattingh employed by Creo as a geologist with more than 30 years of experience, is the author responsible for the preparation of this report. Johan Hattingh is a Competent Person, as defined by the JORC Code. The Competent Person considers the JORC Code to be the appropriate standard for the Public Reporting of Exploration Results, Mineral Resources and Ore Reserves. The JORC Code sets out minimum standards, recommendations, and guidelines for Public Reporting.

Johan Hattingh, in his capacity as Competent Person, conducted several site inspections visits since 2010 to the Bitterwasser area. During these visits, first hand field surveys were performed. The technical information used in this CPR was provided by Bitterwasser Lithium Exploration (Pty) Ltd and used in good faith by Creo. Where possible, Creo have satisfied itself that such information is both appropriate and valid to ensure JORC compliance in terms of the level of disclosure.

2.3. Declarations

Creo will receive a fee for the preparation of this report in accordance with normal professional consulting practice. This fee is not contingent on the outcome of the current transaction and Creo will receive no other benefit for the preparation of this report. Creo does not have any pecuniary or other interests that could reasonably be regarded as capable of affecting its ability to provide an unbiased opinion in relation to the Exploration Results of Bitterwasser Lithium Exploration (Pty) Ltd.

Creo does not have, at the date of this report, and has not had in the past, any shareholding in, or other relationship with, Bitterwasser Lithium Exploration (Pty) Ltd or the Material Properties. The Competent Person and Creo consider itself to be independent in terms of the JORC Code.

3. Corporate structure

3.1. Location

The Bitterwasser Project area is located east of Kalkrand in south central Namibia, some 190 km south of Windhoek. Exploration work done to date was on the farms between the settlements of Kalkrand and Hoachanas, in the Hardap Region of central Namibia (Figure 1). The project area abuts the western edge of the greater Kalahari Desert. Exploration work done to date was on the farms Kentani 181 and Eden 183, covered by EPL 5353.

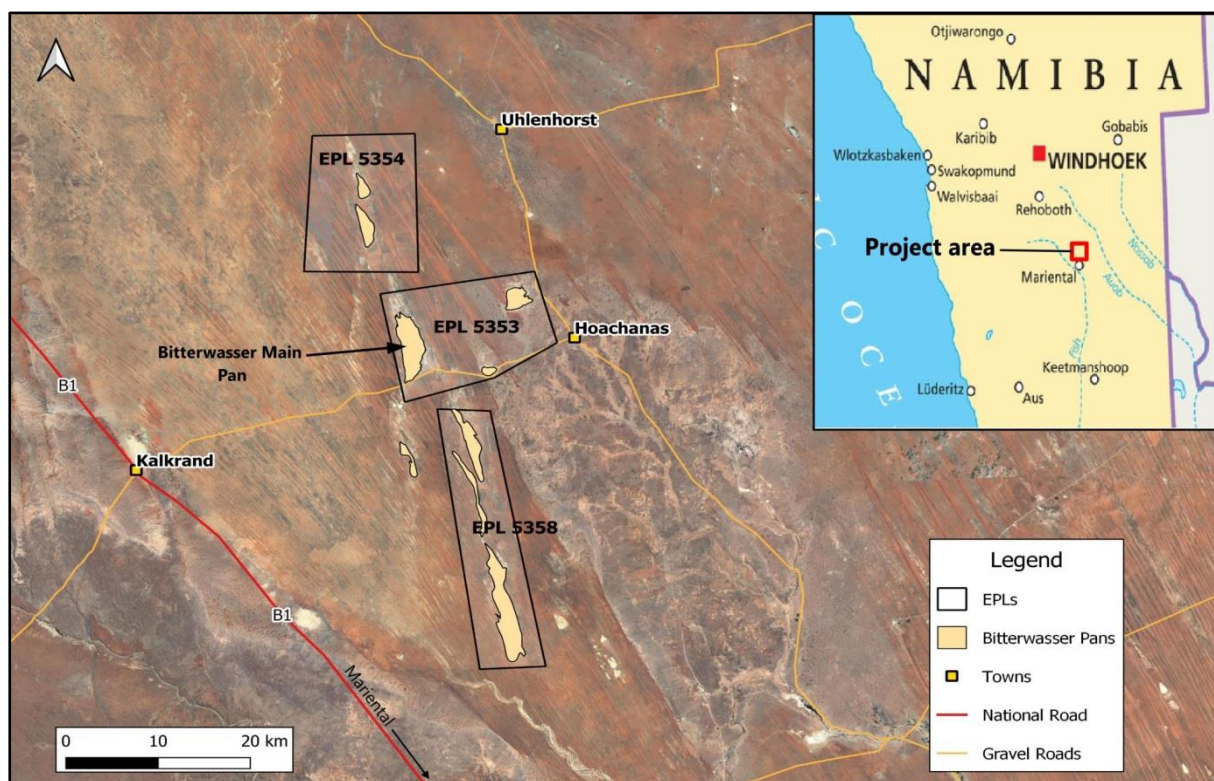


Figure 1: Location of the Bitterwasser Lithium Project area and associated EPLs.

3.2. Company Details

Bitterwasser Lithium Exploration (Pty) Ltd is a Namibian company and sole owner of the Bitterwasser Project.

3.3. Mineral Tenure

Creo's Competent Person has reviewed the mineral tenure related to the Bitterwasser Lithium Exploration (Pty) Ltd exploration areas at Bitterwasser and has independently verified the legal status and ownership of the Permits including underlying property and mining agreements.

The Bitterwasser Project comprise of three Exclusive Prospecting Licences, EPLs 5353, 5354, 5358 all held by Bitterwasser Lithium Exploration (Pty) Ltd. The current project, covers a total area of 59 323.09 hectares. The three EPLs have all been renewed on 4 June 2021 for a further period of two years.

Table 1: Bitterwasser Lithium Exploration (Pty) Ltd current issued EPL information.

Licence:	Exclusive Prospecting Licence
Licence Number:	EPL 5353
Holder:	Bitterwasser Lithium Exploration (Pty) Ltd
Size:	20023.8697 hectares
Commodities:	Industrial Minerals
Farms:	Eden 183, Kantani 181, Bitterwasser 116, Panama 182, Reussenland 561, Meerkat 190
Licence:	Exclusive Prospecting Licence
Licence Number:	EPL 5354
Holder:	Bitterwasser Lithium Exploration (Pty) Ltd
Size:	19341.5271 hectares
Commodities:	Industrial Minerals
Farms:	Kentani 181, Ponjola 152, Madube 199, Mbela 200, Stryfontein 925, Reussenland 561,
Licence:	Exclusive Prospecting Licence
Licence Number:	EPL 5358
Holder:	Bitterwasser Lithium Exploration (Pty) Ltd
Size:	19957.6922 hectares
Commodities:	Industrial Minerals
Farms:	Meerkat 190, Panama 182, Sekretarispan 191, Onze Rust 192, Twilight 113, Bagatelle 684, Happyland 292

During September 2021, BLE obtained Environmental Clearance Certificates (ECC) from the Ministry of Environment, Forestry and Tourism for all three EPLs to conduct exploration.

3.4. Land Use Agreement

A land-use agreement, including access to the property for exploration has been obtained through the Ministry of Agriculture, Water and Forestry of Namibia giving access to the properties and water resources on the farms Kentani 181 and Eden 183.

3.5. General

The information mentioned in the above sections was sourced from scans and electronic files of official documents, which has been supplied by Bitterwasser Lithium Exploration (Pty) Ltd. The author is not responsible for the accuracy of any mineral tenure or related data and does not make any claim or state any opinion as to the validity of the property disposition described herein.

For the preparation of this report, the author has relied on maps, documents, and electronic files generated by the Bitterwasser Lithium Exploration (Pty) Ltd management and in-house experts and exploration teams, contributing consultants, and service providers working under their supervision. To the extent possible under the mandate of a JORC review, the data has been verified regarding the material facts relating to the prospectiveness of the property reviewed in this report.

4. Accessibility, Climate, Infrastructure and Physiography

4.1. Accessibility

Overall, the area is very accessible with good regional and local road network being present. Well maintained gravel roads give access from the B1 main road to the farms Kentani 181 and Eden 183 where the Main Bitterwasser Main Pan occurs. An airfield capable of handling small aircraft is located on the pan to the east of the Bitterwasser Main Pan

4.2. Topography

The Bitterwasser Project is located on a vast interior plateau to the east of the escarpment, with an elevation of some 1 200 m amsl. This plateau is continuous southwards towards the Orange River, on the border with the Republic of South Africa and north towards the Khomas Highlands near Windhoek.

More locally the area of the EPLs is characterised by extremely flat terrain covered in north-northwest orientated longitudinal red sand dunes where a number of pans developed in the inter dune areas.

4.3. Drainage

The Bitterwasser Project is located in the watershed area between the Auab - and Fish Rivers. Due to the low rainfall and flat topography drainage systems here are poorly developed giving rise to the development of large pans instead. The pans are perennial.

4.4. Climate, Vegetation and Wildlife

The prospecting area itself is present within a hot desert climatic area with very hot summers and extremely warm winters (with warm days and cold nights). The average annual precipitation is 194 mm. The average sunshine hours per day ranges between 9 – 10 hours, resulting in an annual average temperature of 18 - 19°C. Summer temperatures can however exceed 35°C.

Vegetation is sparse, typically grass cover, as well as camelthorn and sheppard trees in inter dune areas. Sparse xerophytic vegetation consisting mainly of occasional karoo-type shrubs and succulents also to be found in the inter dune areas.

The area includes numerous faunal species such as gemsbok, kudu, zebra and some small game, but none of these species are exclusive to the study area.

5. Geological background

5.1. General stratigraphy of the Bitterwasser Main Pan

The Bitterwasser Main Pan (“Bitterwasser Pan”; 1 550 ha in surface area) forms part of the Cenozoic aged Kalahari Group and comprises a lithium, potassium and boron enriched sulphate-, chlorite- and carbonate- saltpan district consisting of 7 pans totalling 6 939 ha. The pan sediments are dominated by clay, silty-clay and sandy-clay (Figure 3). These sediments occur within the unconsolidated red-coloured aeolian sands of the Recent Gordonia Formation, while conformably overlying the gravels and pebbly gravels of the Mokalanen Formation and the intra-formational duricrusts layers (mainly carbonates/calcretes) of the Obogorop Formation (e.g. Partridge *et al.*, 2005).

Deacon and Lancaster (1988) give good insight into the regional and local geological settings and pan development processes in the south-western Kalahari. Exploration reports recording periodic prospecting of the Bitterwasser Pan proposes the occurrence of graded

stratigraphic successions. Coarser sediment content (sand, grit and pebbly-grit) occurs towards the basal succession, while silt and clay content increases with increasing stratigraphic height (Figure 3) (Botha & Hattingh, 2017; Van der Merwe, 2015). The coarse sediment increases towards the margins of the pan, while the finer sediments dominate the central section, thus suggesting persistent terrestrial sediment input during the progressive deepening and widening throughout the pan development processes of deflation and sedimentation (Deacon and Lancaster, 1988). The terrestrial sediment input within the Bitterwasser Pan sediments likely constitutes re-deposition of eroded Gordonia-, Mokalanen- and Obogorop Formation sediments within the pan itself. In a broader context the identification of the Kalkrand half-graben with its associated successions of three major flood basalt units separated by two stratigraphically important fluvio-lacustrine interlayers is of great significance as driver of lithium mineralisation in the region. Here, the Kalkrand half-graben preserves a record of the complex interplay between sedimentation, effusion of Karoo flood basalts and extensional tectonics that predated and accompanied the break-up of Gondwanaland (Stollhoven *et al.* 1998).

Generally, the pan can be divided into two stratigraphic units. Firstly, a lower, relatively lithium poor, partially consolidated and/or indurated, poorly sorted and graded unit; dominated by sand, grit and pebbly-grit, with minor to moderate clay constituents the Lower Unit (LwU). Secondly, an upper, relatively lithium enriched, unconsolidated, well sorted and reasonably homogenous unit; dominated by clay and silty-clay Upper Unit (UpU; Figure 3).

The contacts between the LwU and UpU are gradational and are stratigraphically relative uniform throughout the entire Bitterwasser Pan, while it also marks the onset of partial lithification within the pan. The UpU reaches the greatest stratigraphic thicknesses along the central axis of the pan (Figure 3; Van der Merwe, 2015).

5.1.1. Oxidation-reduction zonation

A well-developed redox (reduction-oxidation) boundary occurs throughout the pan which crosscuts both the UpU and LwU units. The redox boundary is recognized through a change in colour of the clays with increasing depth. Near surface oxidized clay exhibit white, brown, grey-brown or orange (sometimes mottled) colours, while the colour of the deeper reduced clays gradually changes from light olive green to dark olive green with increasing depth (Figure 3). The redox boundary also appears to represent the vadose zone. The vadose zone specifies the boundary between the soil-water zone where saline fluids are affected by capillary action, evaporation and oxidation and the phreatic zone where (likely more dense) reduced saline fluids pooled towards the basal portions of the pan are unaffected by

capillary action, evaporation and oxidation. The redox boundary and its association with the vadose zone may also indicate the presence of a shallow perched water table below surface.

The redox boundary present within the UpU, subsequently divides the unit into a lower reduced UpU (Lower clay RUpU) and an upper oxidized UpU (Upper clay – OUpU), (Table 2).

Table 2: Subdivision of the Upper Unit and Lower Unit based on oxidation state.

Unit	Oxidation state
Upper sedimentary UNIT (UPU)	Oxidized (Upper clay)
	Reduced (Lower clay)
Lower sedimentary UNIT (LWU)	Reduced?

5.2. Mineralization model

The Bitterwasser Pan is in terms of its geological and climatic setting comparable to the known economically significant Li and B bearing salt pans and associated brine deposits of Nevada, United States of America (e.g. Bradley *et al.*, 2013; Le Roux, 2019)(Figure 2 & 4).

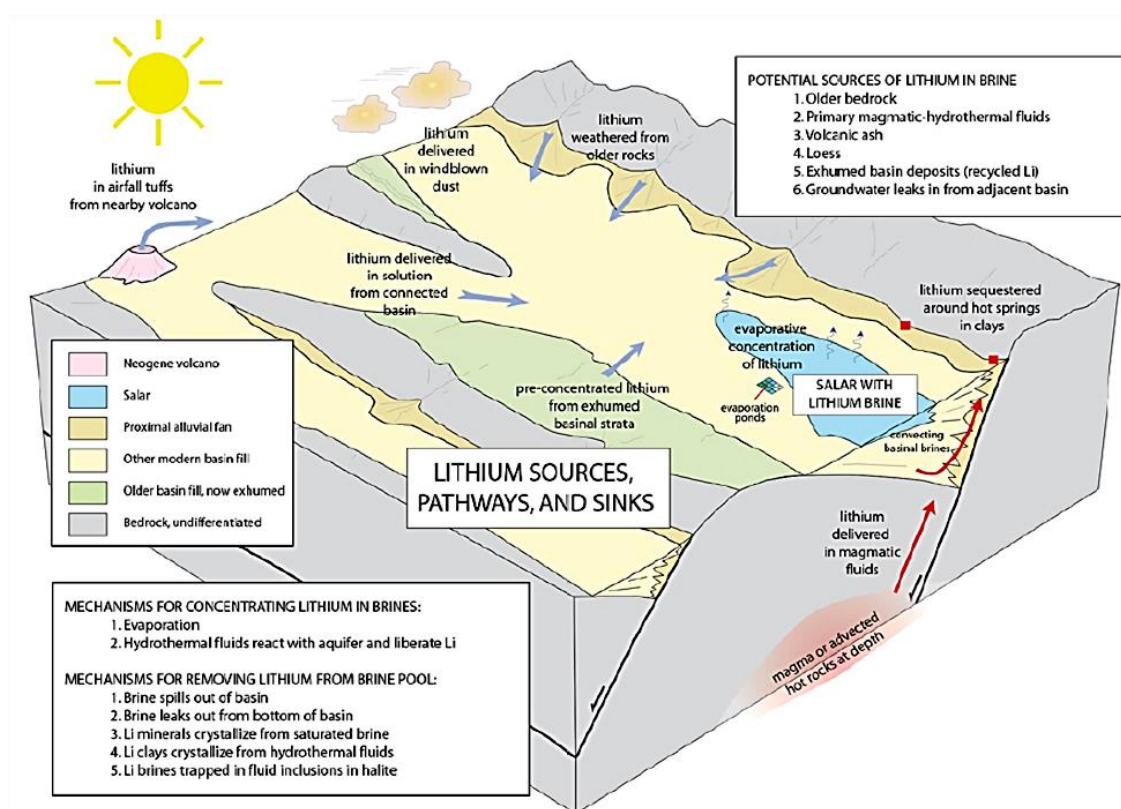


Figure 2: Schematic deposit model for lithium brines. The figure indicates part of a closed-basin system consisting of interconnected sub-basins. Taken from Bradley *et. al* (2013). The sub-basin containing the salar is the lowest.

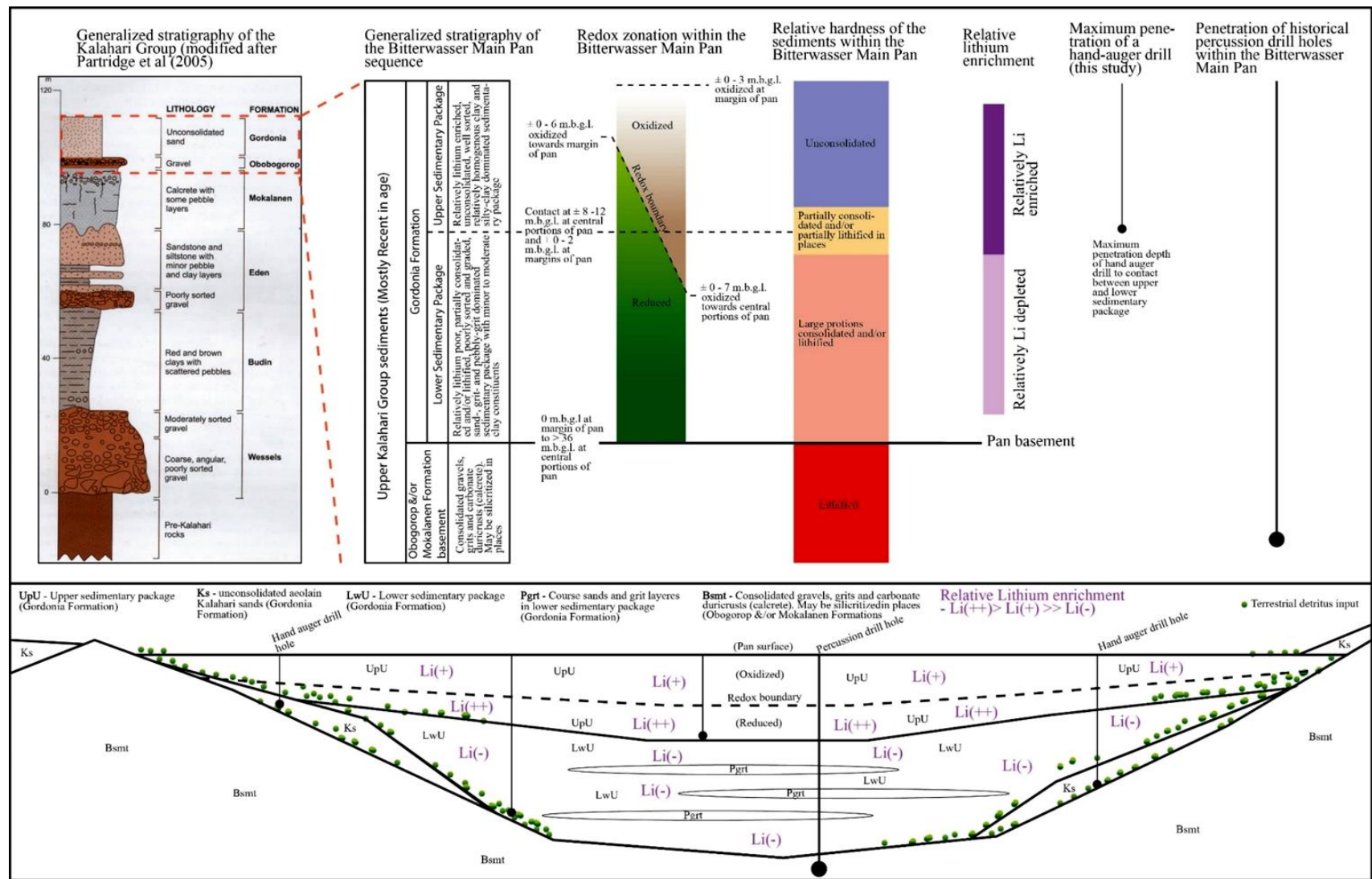


Figure 3: Generalized stratigraphy of the Bitterwasser Main Pan from Miller, 2008.

The prominent post-Cretaceous Brukkaros alkaline volcanic and sub-volcanic complex, which is typically fissure controlled carbonatites, andesites and basalts, underlie the Kalahari Group (and saltpan complex) in the area and is considered to be the most likely source of the lithium (Le Roux, 2019). Hot brine springs with water temperatures exceeding 38°C have been reported in the immediate area of the Bitterwasser Main Pan. This suggests the presence of an active deep-seated connate/hydrothermal water circulation network which acts as a transport mechanism for lithium bearing brines into the overlying Gordonia Formation pan sediments (e.g. Bradley *et al.*, 2013). The high evaporation rates (>3200 mm/year) occurring in the area are favourable for brine formation and salt-concentration within the Bitterwasser Pan (Le Roux, 2019).

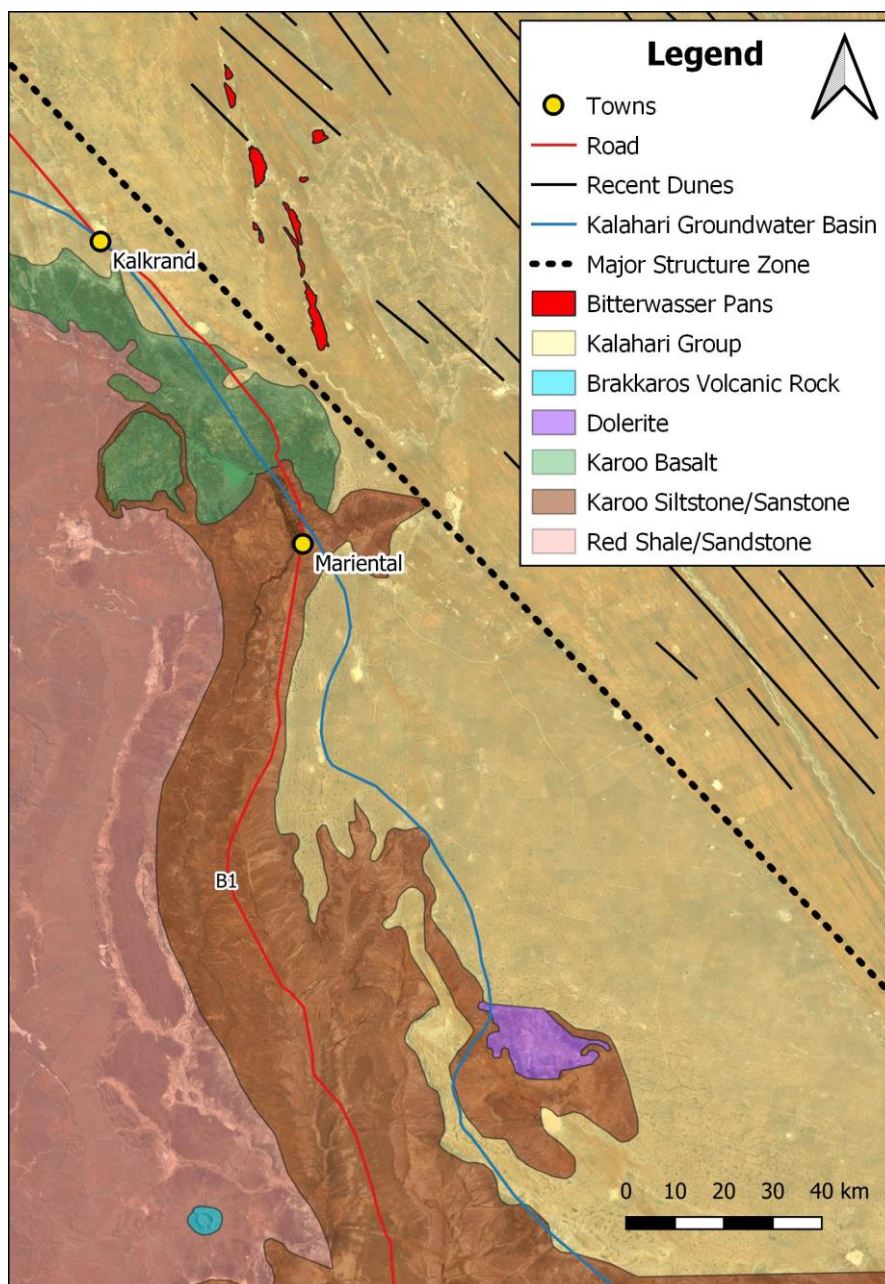


Figure 4: Regional geological overview of the Bitterwasser Pan Complex

5.3. Basin development

From a regional 1:250 000 scale geological map and regional magnetic survey data from the Geological Survey of Namibia, a large sedimentary basin can be identified, that is associated with the Bitterwasser Pan district. Basalts outcrop on side of the basin, with the centre being filled in by Kalahari sand.

Regional magnetic data indicated that the basin is associated with, and likely formed by the occurrence of large scale graben faults, towards the eastern and western edges of the basin. The Namibian Government conducted a radiometric survey of potassium (which is a lithium path finder element) over the area of the basin. The data indicate a strong presence of potassium within the basin area, indicating the high possibility of subsequent lithium occurrences.

6. Historical Background

In a global context the most feasible lithium deposits are found in continental, geothermal and saltpan brines and clays. The brines are formed by the chemical weathering of lithium-bearing rocks by hydrothermal fluids, particularly in restricted basins, in areas of high evaporation. The brines are generally sourced from the porous strata beneath the surface of the basins. Some of the lithium may be sourced through the leaching of volcanic ash, clays and rocks, however lithium is not readily leached from rock unless exposed to hot fluids in the region of 275- 600°C.

Lithium exploration in Southern Africa received virtually no attention in the past despite favourable conditions for lithium resource development that prevails. Against this background a regional reconnaissance investigation in the form of a systematic field survey covering the entire southern Namibia and some parts of the Northern Cape Province of South Africa was done during 2009 and 2010. The reconnaissance investigation was aimed at establishing the prospectiveness of the area that could potentially sustain economic exploitation of soda ash and lithium (Botha & Hattingh, 2017). Target selection was based on the Chilean model of Li-brines within saltpans. The first round of sampling focused on saltpans in two areas, namely central to southern Namibia and the Mier area of the Northern Cape, South Africa.

Regional geological reconnaissance that was conducted by Bitterwasser Lithium Exploration (Pty) Ltd was mostly to test contextual geological models. The two initially selected areas represent pan complexes (groups or clusters of pans), which is typical of salt pan occurrences worldwide. Water samples were also collected in the area referred to as the 'Sout Blok' located south of Aranos, Namibia.

The sampling of salt-pan clay sediments from several saltpan complexes throughout southern Namibia and north-western South Africa was subsequently done. Due to the encouraging lithium grades found in the brines and clays of Southern African pans right from the onset of the reconnaissance survey programme, it was decided to focus on the brines as potential lithium source. The lower development and production cost of lithium from brines give support to the focus on brines as source of lithium.

Subsequent to the initial positive findings from the southern central part of Namibia during the February to July 2010 sampling programme, it was decided to increase the exploration area to cover the entire south-eastern part of Namibia. The Bitterwasser salt-pan complex near Kalkrand was considered as highly prospective for hosting significant lithium clay- and brine deposits, and was also comparable to prospects found within the much larger “Lithium Triangle” in South America and other similar lithium brine provinces such as in Nevada, USA.

Between 21 May and 20 June 2010 the remaining Aminuis and Koës / Keetmanshoop pan districts were surface grab sampled. Brines were also collected from two localities in these pan districts. Samples were submitted to independent laboratories for analysis and the results were assessed in a final report that was compiled by Botha & Hattingh in May 2017.

During this study a total area of some 450 km x 200 km was surveyed. In the area surveyed, some 130 samples were taken as water samples, shallow auger hole or pit samples. Over the Bitterwasser Pan District a total of 26 samples was taken of which 16 samples returned values in the range of 300 to 550 ppm Li and Boron values as high as 400 ppm. These results are compelling enough to justify continuation of the survey and a follow-up sampling programme is essential.

While lithium brine grades from 200 ppm upward are viable to mine in the current commodities climate, and lithium demand is on the increase, lithium pan soil grades of over 550 ppm could indicate decisively competitive underlying lithium brine grades (Lithium-demand-growth-to-remain-strong-to-2030-report, 2020). Therefore, a more detailed exploration plan including a drilling programme was found to be justifiable based on the very promising results obtained at several of the targets investigated during 2017. Particular the pans at Bitterwasser stood out as good targets. Here it was found that the pans, occurring as large depressions in the arid western part of the sub-continent, contained high amounts of montmorillonite group clays, in particular zinnwaldite that gave encouraging lithium values.

In addition to pan sampling, water quality sample data supplied by the government of Namibia was analysed. Unfortunately, the data does not contain information relating to lithium content. However, this data confirmed that several boreholes yielded high total dissolved solids, which indicates the presence of highly saline and/or brine-enriched

groundwater that might be associated with significant lithium mineralisation. Also, the spatial distribution of these saline and/or brine enriched boreholes was found to be present within areas with confining structures, which indicates the potential for large enclosed brine aquifers that could be of significance for the upgrading of brines through evaporation.

6.1. Surface sampling

Between February and March 2010, 24 soil samples were taken from the various lithological units from 8 sampling pits on 5 different pans in the Bitterwasser salt pan district. These sample locations fall within the Bitterwasser Lithium Exploration (Pty) Ltd EPLs. The pits were generally located near the centre of the pans and the number of pits dug per pan was dependent on the size of the pan. In the case of the larger pans that necessitated the excavation of more than one pit, the pits were arranged in a grid pattern. The P02 pits were spaced at 900 m and the P03 pits were spaced at 2500 m.

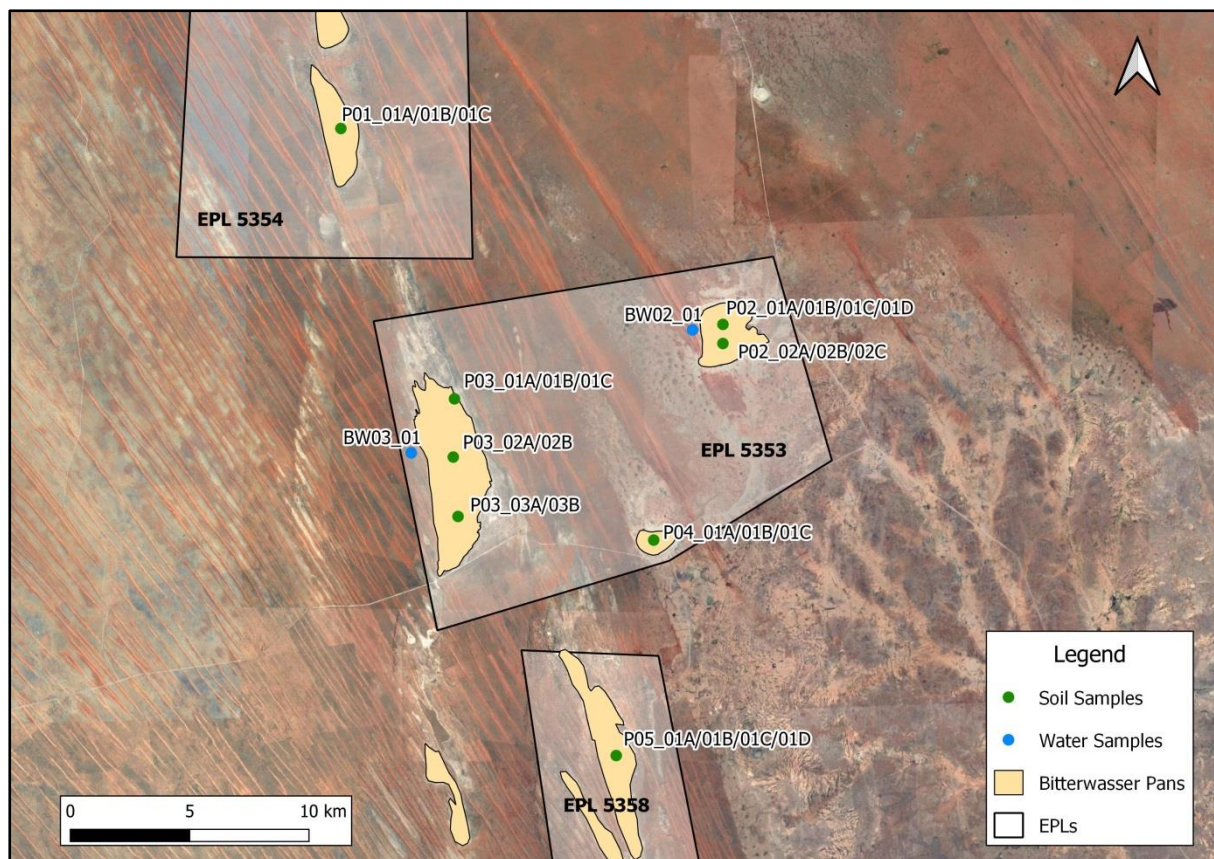


Figure 5: Location of the pit samples and the two water samples collection points in relation to the Bitterwasser Pans and the Bitterwasser Lithium Exploration (Pty) Ltd EPLs.

The pits were manually excavated to a maximum depth of 1.5 m. The intersected horizons were logged based on lithological composition and a representative sample was taken from each horizon. The silty, salty clay soils are typical of pan environments. The number of horizons intersected in each pit varies between two and four.

Additionally, two groundwater samples were taken from wind pumps adjacent to the Bitterwasser pans. The water samples were taken directly in 500 ml plastic bottles from taps attached to the wind pumps.

Table 3: Lithological logs of the pits that were sampled on pans in the Bitterwasser pan district.

Lithological Logs of Pits dug on Pans in the Bitterwasser Pan District						
Sample_ID	Easting	Northing	From	To	Colour	Lithology
P01_01A	788390	7364710	0.00	0.10	whitish brown	slightly silty, clayey mud
P01_01B	788390	7364710	0.10	0.70	light brown	clayey fine sand
P01_01C	788390	7364710	0.70	1.50	light brown	slightly sandy, compact clay
P02_01A	804400	7356500	0.00	0.05	white - light brown	porous sandy mud crust
P02_01B	804400	7356500	0.05	0.50	light brown	soft clay
P02_01C	804400	7356500	0.50	0.80	pinkish white	slightly sandy, soft kaolin clay
P02_01D	804400	7356500	0.80	1.50	greenish grey	soft friable clay (light brown ferruginous inclusions in places)
P02_02A	804400	7355700	0.00	0.05	white - light brown	porous sandy mud crust
P02_02B	804400	7355700	0.05	0.60	pinkish brown	friable clay
P02_02C	804400	7355700	0.60	1.50	greenish brown	friable clay
P03_01A	793150	7353380	0.00	0.05	whitish grey	silty clay
P03_01B	793150	7353380	0.05	0.65	pinkish grey	clayey sand speckled with finely disseminated kaolinitic bands (pinkish colour due to minor iron oxide content)
P03_01C	793150	7353380	0.65	1.40	greenish grey	sandy clay with with finely disseminated kaolin and calcrete specks
P03_02A	793100	7350940	0.00	0.10	whitish grey	silty clay
P03_02B	793100	7350940	0.10	1.40	light brown	soft clay
P03_03A	793300	7348450	0.00	0.15	whitish grey	friable silty mud
P03_03B	793300	7348450	0.15	1.50	light brown	slightly sandy, compact-hard clay
P04_01A	801500	7347460	0.00	0.10	light brown	clayey mud
P04_01B	801500	7347460	0.10	0.45	light brown	friable clayey fine-medium sand with kaolin specks
P04_01C	801500	7347460	0.45	1.40	light brown	soft, slightly silty clay
P05_01A	799930	7338430	0.00	0.15	light brown	slightly silty, clayey mud
P05_01B	799930	7338430	0.15	0.55	light brown	compact clay
P05_01C	799930	7338430	0.55	0.75	whitish brown	slightly silty compact clay
P05_01D	799930	7338430	0.75	1.50	whitish grey/greyish white	slightly sandy, soft clay

6.2. Sample analysis

The 21 soil samples and 2 water samples were sent for analysis at the University of Stellenbosch Central Analytical Facility between 20 April and 13 July 2010. All 23 samples were analysed for lithium and boron. This analysis was done by Inductive Coupled Plasma Mass Spectrometry (ICP).

The six samples which yielded Li values above 300 ppm were selected and additionally analysed for the cations Ca, Mg, K and Na. The cation analysis was done by Atomic

Absorption Spectroscopy (AAS). Sample preparation for Li, B and cation analysis was by acid digestion.

Table 4: Results for Li, B and cation analysis of reconnaissance samples collected.

Results for Li, B, Ca, Mg, K & Na Analysis of Soil and Brine Samples from Pans etc.										
Sample Identity					Results					
Sample ID#	District	Easting	Northing	Type	Li	B	Ca	Mg	K	Na
					ppm	ppm	ppm	ppm	ppm	ppm
BW02_01	Bitterwasser	803130	7356270	Water	nd	2.06	N/A	N/A	N/A	N/A
BW03_01	Bitterwasser	791340	7351120	Water	0.04	0.63	N/A	N/A	N/A	N/A
P01_01A	Bitterwasser	788390	7364710	Soil	100.33	69.79	N/A	N/A	N/A	N/A
P01_01B	Bitterwasser	788390	7364710	Soil	236.42	269.13	N/A	N/A	N/A	N/A
P01_01C	Bitterwasser	788390	7364710	Soil	348.65	390.46	53100	69700	9900	40600
P02_01B	Bitterwasser	804400	7356500	Soil	154.44	61.42	N/A	N/A	N/A	N/A
P02_01C	Bitterwasser	804400	7356500	Soil	122.75	126.25	N/A	N/A	N/A	N/A
P02_01D	Bitterwasser	804400	7356500	Soil	93.68	57.17	79600	49100	5700	3600
P02_02B	Bitterwasser	804400	7355700	Soil	118.78	242.10	N/A	N/A	N/A	N/A
P02_02C	Bitterwasser	804400	7355700	Soil	148.17	184.48	N/A	N/A	N/A	N/A
P03_01B	Bitterwasser	793150	7353380	Soil	226.70	127.31	N/A	N/A	N/A	N/A
P03_01C	Bitterwasser	793150	7353380	Soil	159.56	104.20	60000	37700	3200	13700
P03_02A	Bitterwasser	793100	7350940	Soil	168.48	46.76	N/A	N/A	N/A	N/A
P03_02B	Bitterwasser	793100	7350940	Soil	557.42	268.03	72600	75300	6900	20600
P03_03A	Bitterwasser	793300	7348450	Soil	227.57	80.66	N/A	N/A	N/A	N/A
P03_03B	Bitterwasser	793300	7348450	Soil	555.24	188.36	88300	70800	6200	16700
P04_01A	Bitterwasser	801500	7347460	Soil	50.45	45.36	N/A	N/A	N/A	N/A
P04_01B	Bitterwasser	801500	7347460	Soil	70.03	135.26	N/A	N/A	N/A	N/A
P04_01C	Bitterwasser	801500	7347460	Soil	82.36	57.39	94900	63700	6700	10500
P05_01A	Bitterwasser	799930	7338430	Soil	346.14	46.77	80800	38900	2600	7100
P05_01B	Bitterwasser	799930	7338430	Soil	544.28	56.16	120400	51900	3000	7100
P05_01C	Bitterwasser	799930	7338430	Soil	482.99	44.19	145900	49800	3200	6300
P05_01D	Bitterwasser	799930	7338430	Soil	294.93	29.49	N/A	N/A	N/A	N/A

It is assumed that industry best practices was used during sampling and by the laboratory to ensure sample representivity and acceptable assay data accuracy, however the QA/QC procedures used are not recorded in available documents.

7. Exploration and Data collection

7.1. Introduction

Prospecting work at the Bitterwasser project was initiated with the objective to survey the Bitterwasser saltpan complex and to establish the presence of a lithium resource with potassium accessory mineralisation. The Main Bitterwasser Pan, situated on EPL 5353 on farms Kentani and Eden, near the settlement of Hoachanas, was the primary target identified as a high priority during initial reconnaissance work. Work started in October 2019 with an electromagnetic survey which was followed by the drilling of a number of hand-auger drillholes perpendicular to strike of the central portion of the pan.

7.2. Electromagnetic survey

The electromagnetic (EM) survey was done by the groundwater consultancy Geoss during October 2019. This survey involved the dragging of an EM antenna (rings) at a 40 m or 20 m grid spacing behind a vehicle (Figure 6).

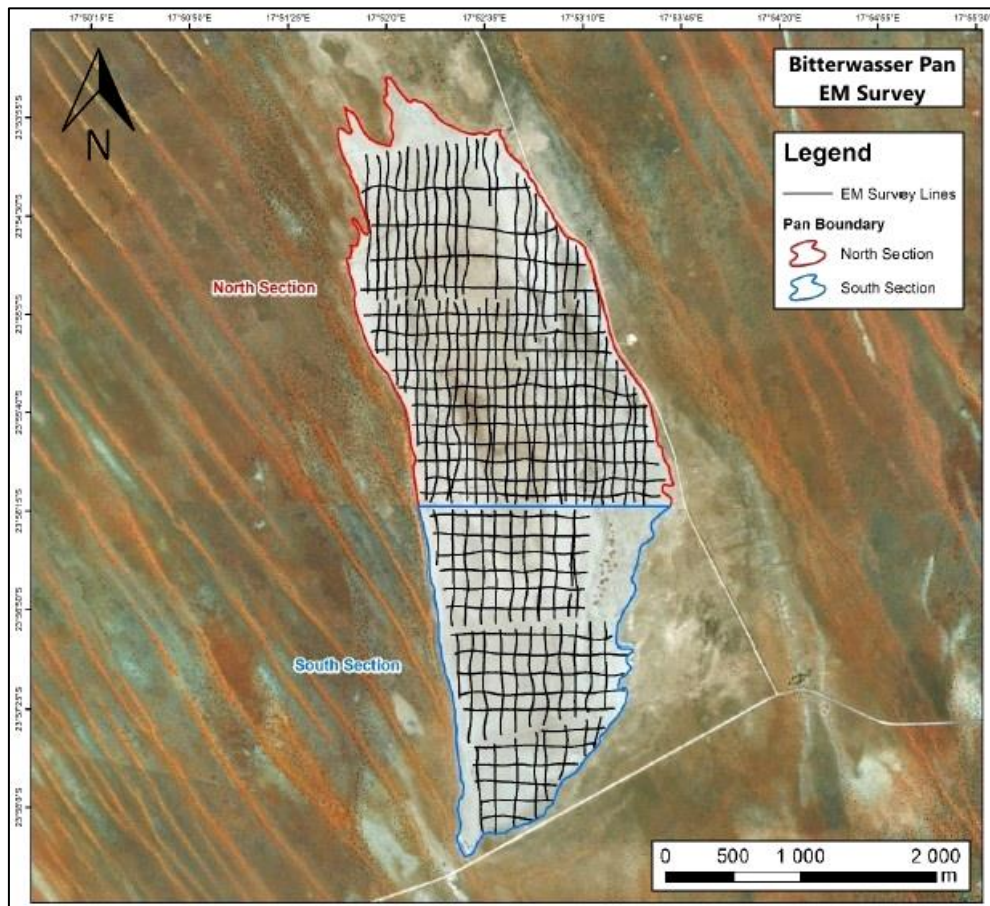


Figure 6: Grid spacing showing EM lines for both 40 m (north) and 20 m (south) coil separation.

The survey method made use of the CMD-DUO electromagnetic conductivity meter which measures the ground conductivity of the subsurface. It is a rapid data acquisition instrument that can be successfully applied to exploration projects. The CMD-DUO induces a changing electromagnetic (EM) field with a known frequency into the subsurface using a sender coil. This changing EM field induces current flow in conductive subsurface areas (for example saturated sands), which is measured by the receiver coil. This is then automatically converted to ground conductivity. In general, the ground conductivity measured has a direct correlation with formation porosity and groundwater salinity; i.e. if porosity of the formation or groundwater salinity increases, this will be reflected as a higher ground conductivity measurement (Telford *et al.*, 1990). The depth of investigation can be changed by using different coil separation (horizontal or vertical co-planar) with associated different frequency.

A grid approach was undertaken in order to generate a ground conductivity map indicating zones of high conductivity (saline zones) and low conductivity zones (Figure 7). The area was divided into a north and south section. The north section was completed with a 40 m coil separation (horizontal setup) resulting in a depth of investigation of 60 m, whereas the southern section was completed with a 20 m coil separation (horizontal setup) resulting in a depth of investigation of 30 m.

EM Survey Results

An electrical conductivity map was generated using the data acquired from the EM survey (Figure 7). The north section indicates a highly saline body (red to yellow contours) in the centre of the section. The conductivity measures from -500 to -250 mS/m which in this case is interpreted as a concentrated saline body and was measured with the 40 m coil separation.

At high values of terrain conductivity, the indicated conductivity is no longer linearly proportional to the actual conductivity. This effect is more severe for the vertical dipole mode (HC) of operation as was the case for this survey. Where ground conductivity exceeds a certain threshold (threshold value depends on geology) the indicated conductivity falls to zero, and in fact for greater conductivity becomes negative. This was the case for the survey with the CMM DUO Electromagnetometer, with the negative measurements indicating highly saline groundwater. As the instrument approaches and passes over the high conductivity (highly saline) body the current flow in the body becomes essentially the same as if in free space, thus giving rise to a negative anomaly as obtained. Such an anomaly may be sufficiently large to make the meter reading go off-scale (below zero). The instrumentation is able to accommodate these below zero readings so that measurements can still be made.

The southern section which was done with the 20 m coil separation clearly does not show such a prominent body. However, negative conductivity (interpreted as highly saline material) is still clearly indicated in the south section. The conductivity in this section ranges from -200 to -50 mS/m.

The difference between the 20 m and 40 m coil separation is clearly evident on the conductivity map (Figure 7) and confirms that the body delineated by the 40 m coil separation extends deeper than 30 m (known depth extent of 20 m coil separation) and shallower than 60 m (known depth extent of 40 m coil separation).

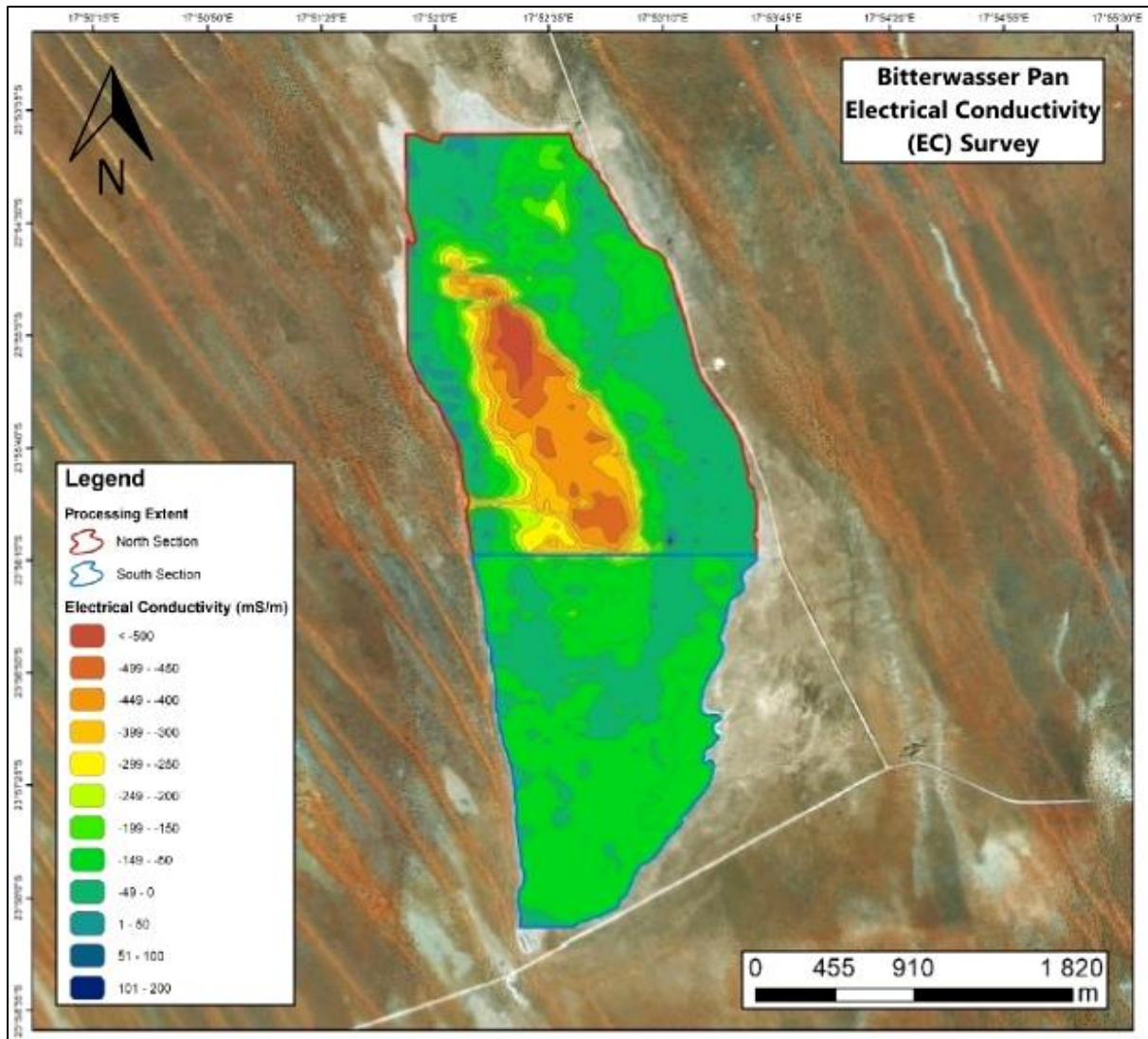


Figure 7: Conductivity Map showing results of both 40 m and 20 m coil separation.

7.3. Hand auger drilling

The hand auger drilling programme was done over the central portion of the Bitterwasser Main Pan, with the drillholes spaced perpendicular to the strike of the pan. A total of 16 vertical holes were drilled, totalling 93.10 m, with the drillholes spaced using a 500 x 500 m grid comprising 3 drill lines with 5 to 6 boreholes per line (Figure 9). The area covered by the grid is approximately 350 ha, approximately 26 % of the total area of the pan (Figures 8 and 9). The indurated and/or partially indurated lower contact of the UpU dictated the End of Hole (EOH) depths of the drillholes. Depending on the hole position relative to the deep central axis and shallow margins of the pan, the depth of the holes ranged from 0.80 m.b.g.l. – 12.20 m.b.g.l., (Figure 9; Appendix III; Table 5 and Table 6).

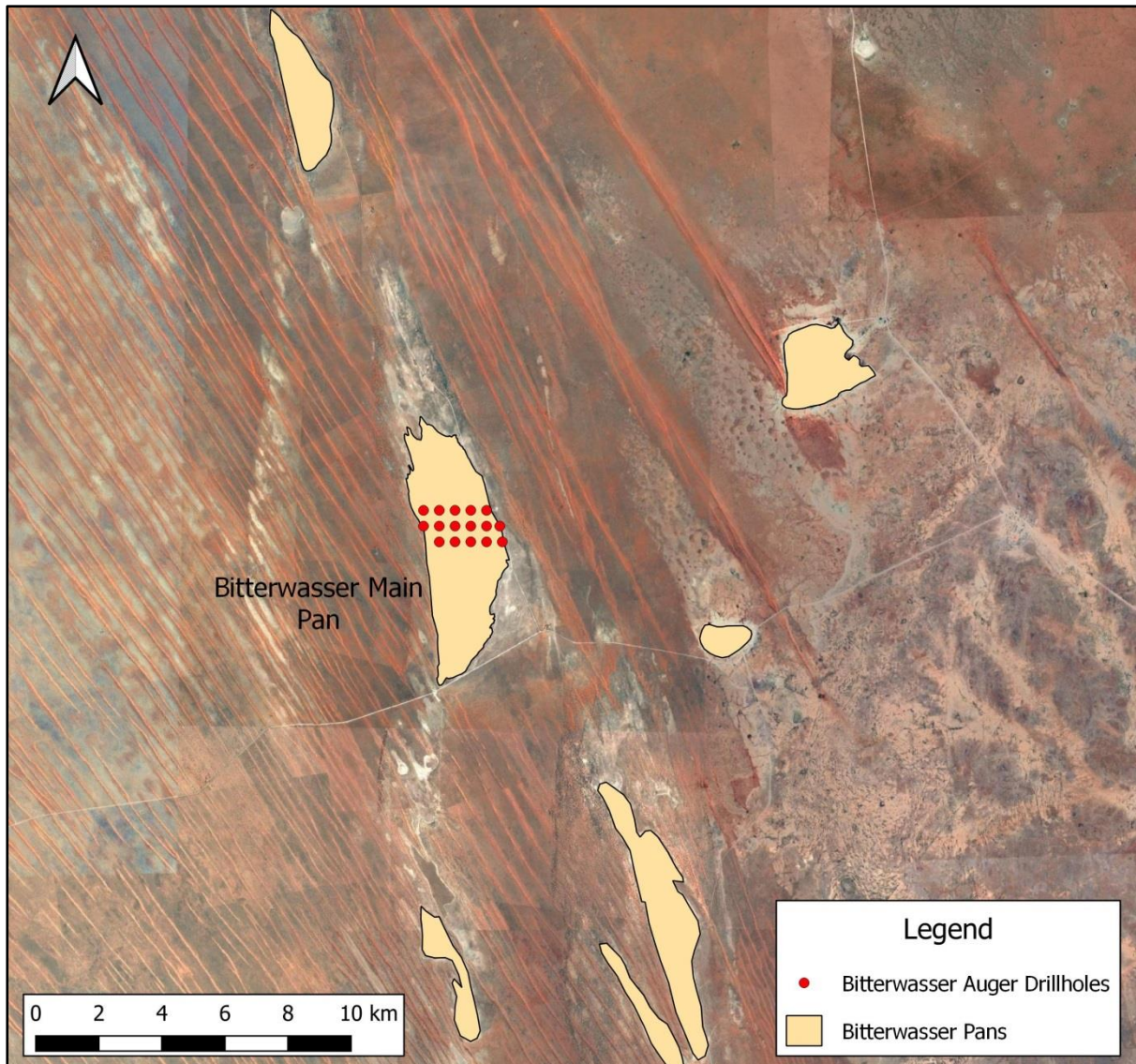


Figure 8: Layout and position of the 16 hand auger drillholes within the Bitterwasser Main Pan shown in relation to the neighbouring pans.

A total of 14 of the 16 drillholes intersected lithologies which were sampled. Sediment samples were collected using sample tube lengths of no more than 20 cm (e.g. 1.0 m consisted of 5 x 20 cm sample lengths), utilizing a 90 mm OD (outer diameter) x 250 mm long auger clay-bit (Figure 10B). To minimize sample contamination, the collected sediment samples were placed on a canvas cloth, while the clay-bit was cleaned with a wet cloth and water after every sample (Figure 10A). A chip-tray sample representing every 20 cm was collected stored and logged (Figure 11). All drillholes remained relative intact due to salt encrustation, which formed instantaneously as the drillhole sidewalls are exposed to air. On completion of the drilling, the drillholes were cased and collared (Figure 10C & 10D).

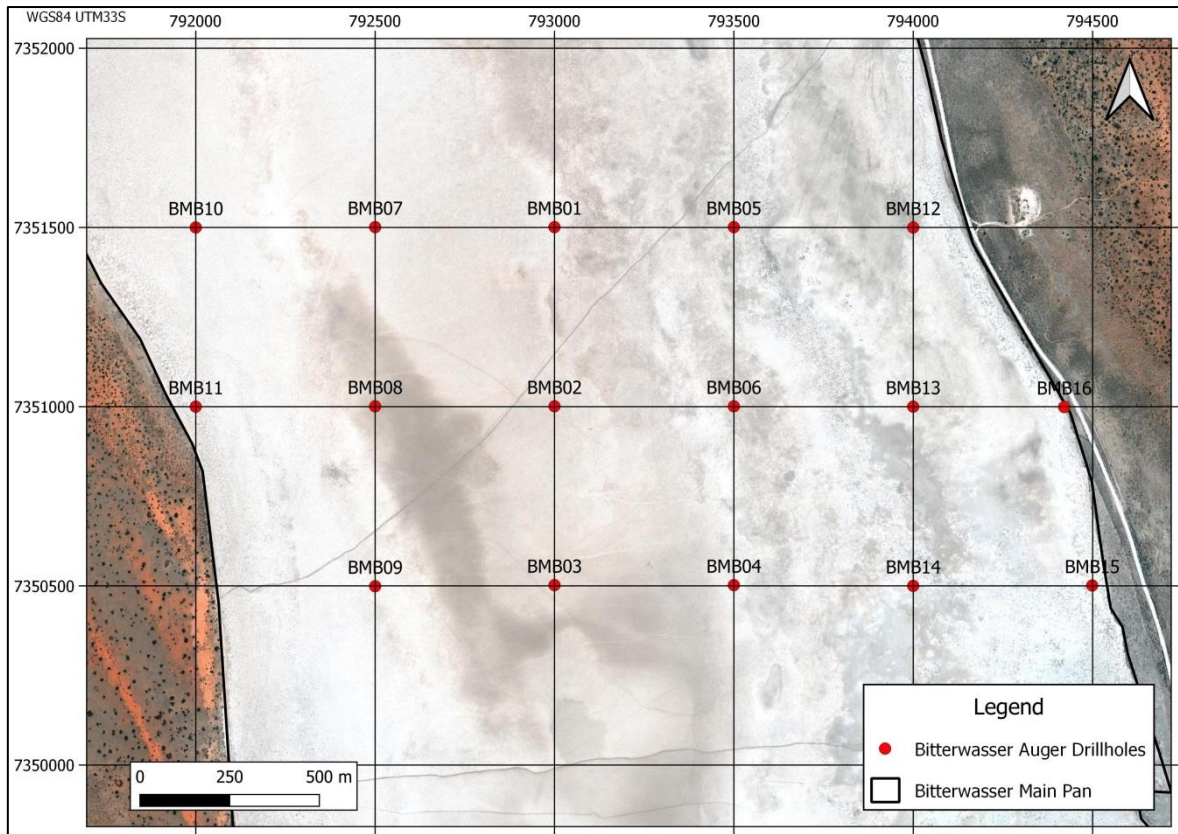


Figure 9: A grid of three drill lines spaced 500 m apart with five to six holes per line also spaced 500 m apart on the Bitterwasser Main Pan. Borehole positions and numbers are shown of all the hand auger drillholes which were drilled, logged and sampled.

7.3.1. Auger-hole logging

Only the UpU, which is the primary target of the investigation, was drilled and logged, while logging was principally based on the oxidation state of the pan sediments. Accordingly, the UpU was sub-divided into two clay packages; namely the Upper clay which is oxidized and exhibits orange-brown colouration and the Lower Clay Unit which is reduced and exhibit green colouration.

Both the Upper- and Lower Clay Unit packages, have a gradational contact with the partially indurated LwU in the central portions of the pan, while towards the margins the UpU is also in contact with partially consolidated Kalahari sand (Ks) and/or indurated carbonate duricrust (BSMT; calcrete). The LwU, Ks and BSMT were jointly categorised as the basement to the prospective UpU (Upper clay + Lower clay) and therefore collectively logged as LITH. Therefore, the logging makes use of the codes: Upper clay, Lower Clay Unit and LITH; in that order in any given auger drillhole on the pan (Table 5).

Table 5: Logging codes and their descriptions

Upper sedimentary unit (UPU)	UPPER CLAY UNIT – OXIDIZED UPPER SEDIMENTARY PACKAGE
	LOWER CLAY UNIT– REDUCED UPPER SEDIMENTARY PACKAGE
Pan sediment base(LITH)	Indurated or partially indurated upper contact of the LwU and/or basal aeolian sands (KS) of the Gordonia Formation and/or indurated gravels, grits and carbonate (calcrete) duricrusts of the basal Mokalanen- and Obogorop Formations

Table 6: List of all auger holes which were drilled as a part of this investigation.

Auger_ID	WGS84_Lat/Long_X	WGS84_Lat/Long_Y	WGS84_UTM33S_X	WGS84_UTM33S_Y	Estimated elevation (mamsl)	Azimuth (°)	Inclination (°)	Date From	Date To	EOH (m.b.g.l.)
BMB07	17.87324	-23.92139	792500	7351501	1226	N/A	-90	2019/10/17	2019/10/17	9.30
BMB01	17.87815	-23.92130	793000	7351501	1226	N/A	-90	2019/10/12	2019/10/12	11.20
BMB05	17.88305	-23.92121	793500	7351501	1226	N/A	-90	2019/10/13	2019/10/13	6.00
BMB06	17.88315	-23.92572	793500	7351001	1226	N/A	-90	2019/10/13	2019/10/15	6.60
BMB04	17.88325	-23.93022	793500	7350502	1226	N/A	-90	2019/10/15	2019/10/15	7.80
BMB03	17.87834	-23.93031	793000	7350502	1226	N/A	-90	2019/10/11	2019/10/12	12.20
BMB09	17.87344	-23.93043	792500	7350499	1226	N/A	-90	2019/10/16	2019/10/16	7.80
BMB08	17.87334	-23.92590	792500	7351001	1226	N/A	-90	2019/10/16	2019/10/17	7.80
BMB02	17.87825	-23.92581	793000	7351001	1226	N/A	-90	2019/10/10	2019/10/10	10.80
BMB10	17.86833	-23.92149	792000	7351500	1226	N/A	-90	2019/10/17	2019/10/17	2.20
BMB11	17.86843	-23.92600	792000	7351000	1226	N/A	-90	2019/10/17	2019/10/17	2.00
BMB12	17.88796	-23.92112	794000	7351500	1226	N/A	-90	2019/10/18	2019/10/18	1.80
BMB13	17.88806	-23.92564	794000	7351000	1226	N/A	-90	2019/10/18	2019/10/18	1.80
BMB14	17.88816	-23.93014	794000	7350500	1226	N/A	-90	2019/10/18	2019/10/18	4.20
BMB15	17.89306	-23.93005	794499	7350501	1226	N/A	-90	2019/10/18	2019/10/18	0.80
BMB16	17.89219	-23.92557	794421	7350999	1226	N/A	-90	2019/10/18	2019/10/18	0.80



Figure 10: A – Photo mosaic of one of the drill sites, with recovered sediment sample being packed neatly on the canvas cloth as 20 cm samples. The chip-tray sample would immediately be collected and logged. B –The hand auger clay-bit together with its 20 cm interval sample. C – The collar casing which was installed at each drillhole. D – down-the-hole view of one of the drillholes, clearly indicating that the holes remain intact and stable after drilling.



Figure 11: Chip-tray of auger hole BMB_02. This chip-tray clearly illustrates the redox zonation of the Upper sedimentary unit (UpU) into the Upper clay and Lower clay.

7.3.2. Auger-hole sampling

A total of 89 auger-hole samples were collected over the course of the drilling programme, with 74 samples taken for chemical/metallurgical analysis (Appendix I), while the other 15 samples (16.85 % of the total number) were used for quality control and quality assurance (QA/QC) purposes. A total of 15 clay density samples were also collected, of which 7 are of the Upper clay and 8 are of the Lower clay.

Sample intervals are set at 1.00 m and shortened based on eventual depth of the hole. Sample intervals are recorded in the drill log and in sample books. QA/QC sample numbers are flagged at this point for later insertion. Plastic sample bags are numbered sequentially with the appropriate sample number. The geologist who logged the hole verifies the sample tag with the sample book. The sample bag is sealed with a cable tie, placed in another bag (i.e. double bagged) with a duplicate sample number, and a sample tag is inserted between the sample bags to mitigate the destruction of the sample tag. All the samples are stored in a secure facility until shipment. Sound chain of custody with a well-documented paper trail was in place during the sampling program.

For a specific auger-hole sample interval, each of the 74 samples were split into two sub-samples; one split was used for sodium peroxide fusion ICP-OES with an ICP-MS finish for analysis of Li (ppm), K (%), Al (%), Cr (%), Si (%), Ti (%), As (ppm), Cd (ppm), Fe (%), Mg (%), Mn (%), P (%), Co (%) and Y (%) and the other split for initial sequential leach (metallurgical) test work. No analysis for boron was done. The QA/QC samples consisted of African Minerals Standards (Pty) Ltd's (AMIS) certified reference materials AMIS0339 (standard),

AMIS0341 (standard), AMIS0342 (standard), AMIS0355 (standard) and AMIS0439 (blank) and were inserted on average every 6 – 7 m within the sampling stream.

The results for the analysis by sodium peroxide fusion ICP-OES with ICP-MS finish is shown in Appendix II. From these results several higher Li grade, second sample splits, were selected and composited into a 30.80 kg sample with a calculated weighted average grade of 935 ppm Li. The 30.80 kg composite sample was sent to SGS laboratories in Randfontein, South Africa, for sequential leach test work.

Table 7: Summarized stratigraphic log of all the auger drillholes. Note the Upper sedimentary unit (UpU) has been logged according to its oxidation state: Oxidized Upper sedimentary package (Upper clay) and Reduced Upper sedimentary package (Lower clay).

AUGER_ID	LITH FROM (M.B.G.L)	LITH TO (M.B.G.L)	UPPER CLAY FROM (M.B.G.L)	UPPER CLAY TO (M.B.G.L)	UPPER CLAY THICKNESS (m)	LOWER CLAY FROM (M.B.G.L)	LOWER CLAY TO (M.B.G.L)	LOWER CLAY THICKNESS (m)	UPU THICKNESS (UPPER CLAY + LOWER CLAY) (m)
BMB07	9.00	9.20	0.00	4.00	4.00	4.00	9.00	5.00	9.00
BMB01	11.00	11.20	0.00	4.00	4.00	4.00	11.00	7.00	11.00
BMB05	5.80	6.00	0.00	3.20	3.20	3.20	5.80	2.60	5.80
BMB06	6.20	6.60	0.00	3.60	3.60	3.60	6.20	2.60	6.20
BMB04	7.60	7.80	0.00	4.20	4.20	4.20	7.60	3.40	7.60
BMB03	12.00	12.20	0.00	3.00	3.00	3.00	12.00	9.00	12.00
BMB09	7.60	7.80	0.00	1.00	1.00	1.00	7.60	6.60	7.60
BMB08	7.60	7.80	0.00	3.60	3.60	3.60	7.60	4.00	7.60
BMB02	10.60	10.80	0.00	3.20	3.20	3.20	10.60	7.40	10.60
BMB10	2.00	2.20	0.00	2.00	2.00	N/A	N/A	0.00	2.00
BMB11	0.60	2.00	0.00	0.60	0.60	N/A	N/A	0.00	0.60
BMB12	0.40	1.80	0.00	0.40	0.40	N/A	N/A	0.00	0.40
BMB13	1.60	1.80	0.00	1.60	1.60	N/A	N/A	0.00	1.60
BMB14	4.00	4.30	0.00	2.00	2.00	2.00	4.00	2.00	2.00
BMB15	0.20	0.80	0.00	0.20	0.20	N/A	N/A	0.00	0.20
BMB16	0.20	0.80	0.00	0.20	0.20	N/A	N/A	0.00	0.20

7.3.2.1. Sodium peroxide fusion ICP-OES with an ICP-MS finish analysis

Approximately 100 g of material was split by hand from a 20 cm sample length, depending on the sample size and the extent of the composite sample for which it was required. It was attempted to composite the 20 cm sample lengths into larger samples of approximately 500 g each representing intervals of around 1.0 m for Upper clay and 1.50 m for Lower clay samples, making sure not to sample across lithological contacts (Figure 12). On average, the Upper clay was composite sampled at an interval of 0.90 m and 478 g/composite sample (45 % of total sample material collected), while the Lower Clay Unit was sampled at an average interval of 1.45 m and 643 g/composite sample (55 % of total sample material collected);

Figures 13 & 14). All samples were bagged and tagged and shipped to the SGS laboratory in Randfontein, South Africa, for analysis.

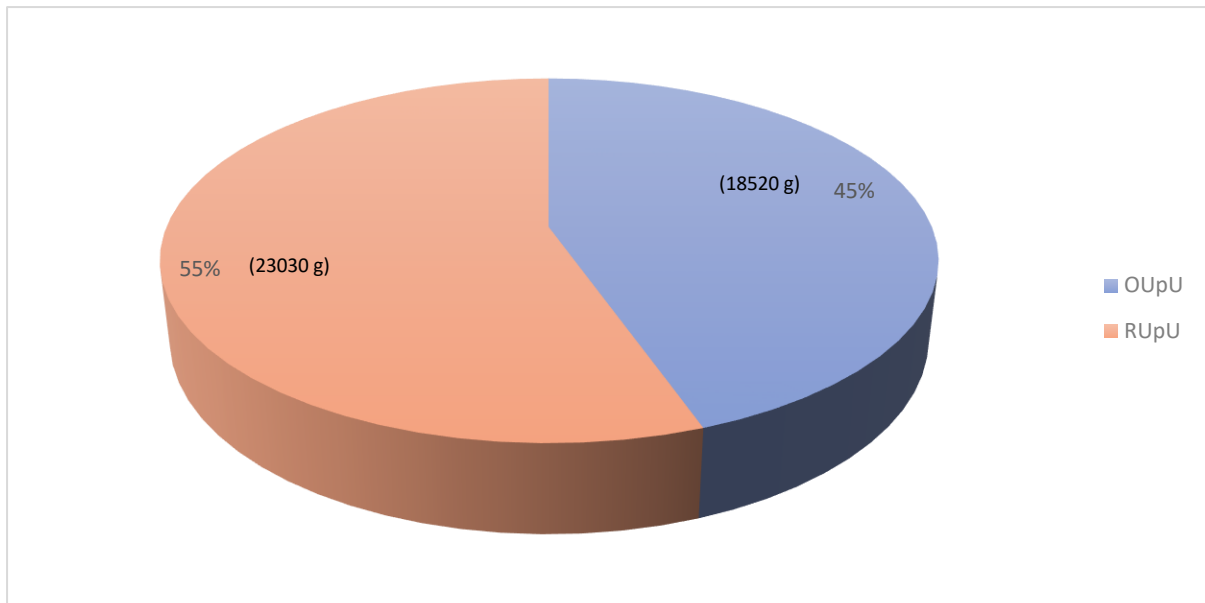


Figure 12: Percentage of sample mass collected of Upper clay and Lower Clay Unit during the drilling programme.



Figure 13: Average sample interval length as collected from all the auger drillholes as per major prospective lithology and average weight per sample from all the auger holes as per major prospective lithology.



Figure 14: Example of composite sampling intervals across an auger drillhole.

7.3.2.2. Initial leaching test work sampling

Details of the composite sample sent for test work are provided in table 8. The initial leaching test work was done to indicate the potential recovery of Li from the clays, as well as to get an indication of the amount of sulphuric acid that will be required during the leaching process. This is therefore only a preliminary viability test for producing a lithium carbonate (hydroxide) product from the mineralized Bitterwasser clays.

Table 8: List of chosen samples for the initial leaching test work.

Auger ID	COMPOSITE SAMPLE ID (LEACHING)	ASSAY SAMPLE ID (ICP-OES)	From (m)	To (m)	Thickness (m)	Major Unit	Weight_kg	Li_ppm
BMB02	BMB02_S7	X2108	5.6	7.2	1.6	Lower clay	1.74	943
BMB02	BMB02_S8	X2109	7.2	8.8	1.6	Lower clay	1.95	1060
BMB02	BMB02_S9	X2110	8.8	9.8	1	Lower clay	1.37	1190
BMB02	BMB02_S10	X2111	9.8	10.6	0.8	Lower clay	0.99	1070
BMB03	BMB03_S6	X2120	3.6	5.6	2	Lower clay	1.87	813
BMB03	BMB03_S7	X2121	5.6	7.6	2	Lower clay	2.21	961
BMB03	BMB03_S8	X2122	7.6	9.4	1.8	Lower clay	2.26	1090
BMB03	BMB03_S9	X2123	9.4	10.7	1.3	Lower clay	1.77	1180
BMB03	BMB03_S10	X2124	10.7	12	1.3	Lower clay	1.17	784
BMB01	BMB01_S7	X2134	5.2	6.4	1.2	Lower clay	1.05	757
BMB01	BMB01_S8	X2135	6.4	7.6	1.2	Lower clay	1.19	863
BMB01	BMB01_S9	X2136	7.6	9	1.4	Lower clay	1.12	693
BMB01	BMB01_S10	X2137	9	10	1	Lower clay	1.08	935
BMB04	BMB04_S5	X2161	4.2	4.8	0.6	Lower clay	0.58	838
BMB04	BMB04_S6	X2162	4.8	6	1.2	Lower clay	1.11	806
BMB04	BMB04_S7	X2163	6	7.4	1.4	Lower clay	1.63	1010
BMB08	BMB08_S6	X2179	5.4	7.6	2.2	Lower clay	2.61	1030
BMB07	BMB07_S5	X2186	4	7	3	Lower clay	2.75	797
BMB07	BMB07_S6	X2187	7	9	2	Lower clay	2.35	1020
Total/Weighted average							30.80	935

7.4. Data Processing

7.4.1. General

A total of 74 samples have been analysed by SGS South Africa laboratories using sodium peroxide fusion ICP-OES with an ICP-MS finish. All auger-hole results were normalized to a weighted average for both Upper clay and Lower Clay Unit lithologies as intersected and logged within each respective auger drillhole. Only Li and K were investigated in any detail, as these elements are considered essential for the viability of the project. The weighted average Li and K grades of each drillhole, as stated per lithology, are presented in table 9.

Table 9: Weighted average grades calculated for each auger hole for both the Upper clay and Lower Clay Unit lithologies.

AUGER_ID	LITH_CODE	WEIGHTED AVERAGE LI GRADE (PPM)	WEIGHTED AVERAGE K GRADE (%)	FROM (M.B.G.L)	TO (M.B.G.L)	THICKNESS (M)
BMB01	Upper clay	666.00	1.65	0.00	4.00	4.00
BMB010	Upper clay	678.00	1.37	0.20	2.00	1.80
BMB011	Upper clay	440.00	1.83	0.20	0.60	0.40
BMB012	Upper clay	343.00	1.23	0.20	1.40	1.20
BMB013	Upper clay	283.00	1.19	0.20	1.60	1.40
BMB014	Upper clay	425.00	1.09	0.20	2.00	1.40
BMB02	Upper clay	641.00	1.70	0.00	3.20	3.20
BMB03	Upper clay	672.00	1.67	0.00	3.00	3.00
BMB04	Upper clay	623.00	1.68	0.00	4.20	4.20
BMB05	Upper clay	479.00	1.76	0.00	3.20	3.20
BMB06	Upper clay	538.00	1.53	0.00	2.40	2.40
BMB07	Upper clay	653.00	1.72	0.00	4.00	4.00
BMB08	Upper clay	698.00	1.74	0.20	3.60	3.40
BMB09	Upper clay	579.00	1.65	0.00	1.00	1.00
BMB01	Lower clay	812.00	2.00	4.00	11.00	7.00
BMB014	Lower clay	502.00	1.53	2.00	4.00	1.40
BMB02	Lower clay	963.00	1.86	3.20	10.60	7.40
BMB03	Lower clay	941.00	1.97	3.00	12.00	9.00
BMB04	Lower clay	901.00	1.81	4.20	7.40	3.20
BMB05	Lower clay	429.00	1.47	3.20	5.80	2.60
BMB06	Lower clay	648.00	1.90	2.40	6.20	3.80
BMB07	Lower clay	886.00	1.60	4.00	9.00	5.00

BMB08	Lower clay	882.00	1.63	3.60	7.60	4.00
BMB09	Lower clay	705.00	1.69	1.00	7.60	6.60
	Average Upper clay	551.29	1.56			2.47
	Average Lower clay	766.90	1.75			5.00

7.4.2. Trends and correlations

The lithium grade shows a consistent increase from the borehole collar to the end of the hole with the highest values at the base of the clay unit at its interface with the underlying sandy clay unit called the Lower Sedimentary Unit (Figure 15).

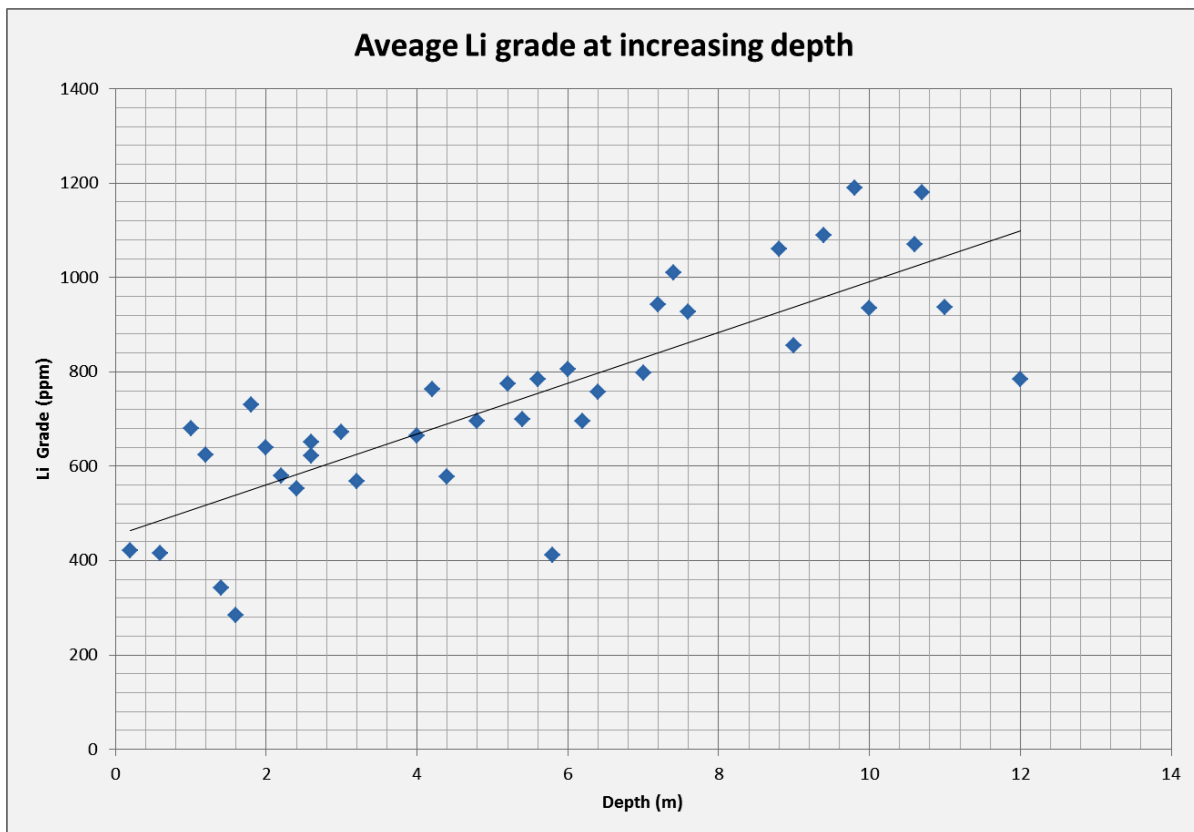


Figure 15: Scatter plots showing grade-frequency % distribution of lithium.

The grade trend followed by potassium differs from that of lithium where potassium grade maintains a relatively constant grade of 1.74% K from surface to just below 9 m below surface, where after a sudden increase to an average of 2.8% K are seen beyond 9.5 m below surface to the end of the hole (Figure 16).

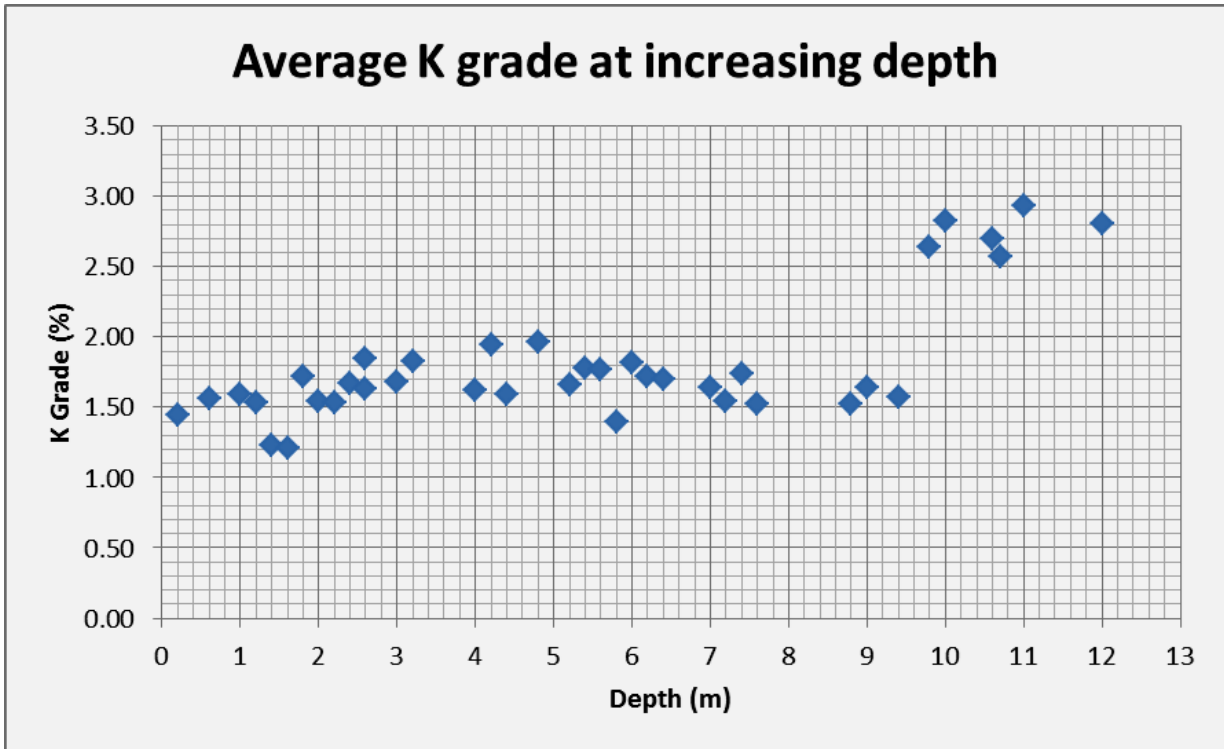


Figure 16: Scatter plots showing grade-frequency % distribution of potassium.

Clear geochemical trend distinction exists between the Upper- and Lower clay, with the Lower Clay Unit being relatively more enriched in Li and K. Drillholes across the central and marginal portions of the pan displays average grade values for the Upper Clay Unit as 551 ppm Li and 1.56 % K, with an average thickness of 2.47 m, while the average grades for the Lower Clay Unit are 767 ppm Li and 1.75 % K at an average thickness of 5.00 m (Table 9). Both the Upper clay and Lower Clay Unit demonstrate a correlation between increasing K content and increasing Li content, with both elements appearing to be correlatable to each other (Figure 17).

When considering the highest Li grades intersected, a spatial correlation between the central axis of the pan and the Clay Units thickness can be seen, with higher grades being associated with thicker Clay Unit intersections and with proximity to the central axis of the pan.

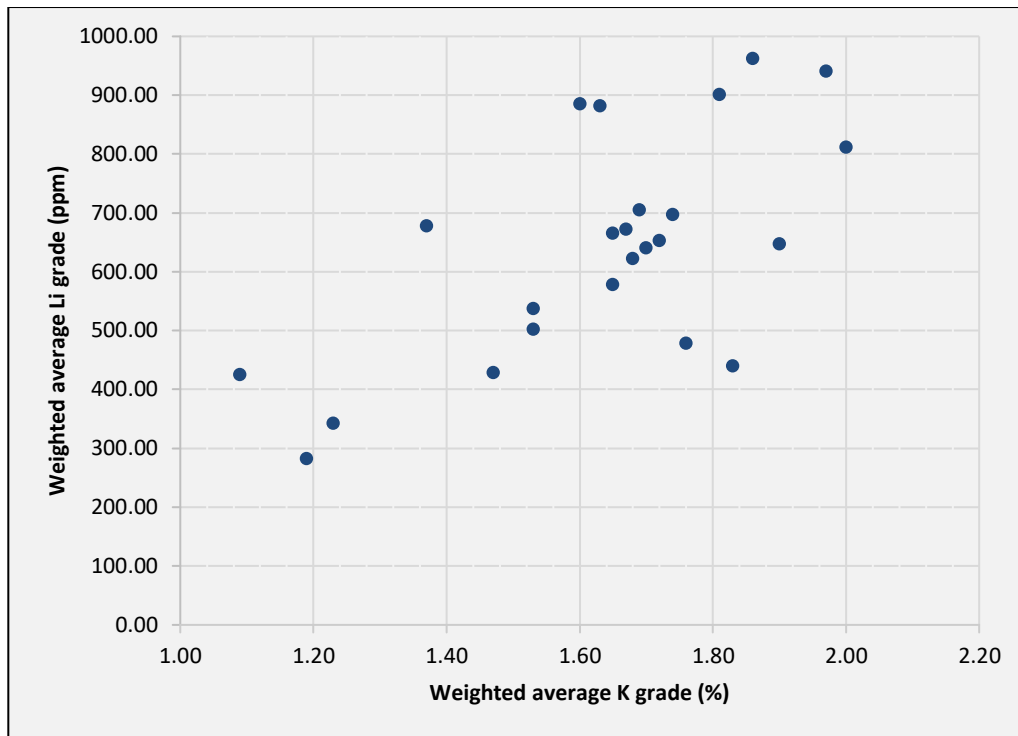


Figure 17: Weighted average Li grade (ppm) vs. Weighted average K grade (%) for all drillholes across the marginal and central portions of the pan.

7.4.3. Quality control and quality assurance

A total of 16 QA/QC samples were inserted into the sampling stream and overall the results are within acceptable accuracy and precision ranges as certified for those reference materials (Table 10).

Table 10: List of QA/QC samples which were inserted into the sampling stream during the drilling programme.

AUGER_ID	SOURCE	ASSAY SAMPLE ID	SAMPLE TYPE	AMIS_ID	LI (PPM)
BMB05	Bitterwasser	X2147	QAQC Blank	AMIS0439	18
BMB06	Bitterwasser	X2155	QAQC Blank	AMIS0439	23
BMB04	Bitterwasser	X2164	QAQC Blank	AMIS0439	20
BMB09	Bitterwasser	X2172	QAQC Blank	AMIS0439	24
BMB08	Bitterwasser	X2180	QAQC Blank	AMIS0439	21
BMB07	Bitterwasser	X2188	QAQC Blank	AMIS0439	20
	SGS		QAQC Blank		<10
BMB03	Bitterwasser	X2117	QAQC CRM	AMIS0339	23000
BMB06	Bitterwasser	X2151	QAQC CRM	AMIS0339	24100
BMB09	Bitterwasser	X2168	QAQC CRM	AMIS0339	22200
BMB07	Bitterwasser	X2184	QAQC CRM	AMIS0339	23500
BMB01	Bitterwasser	X2132	QAQC CRM	AMIS0341	5140
BMB08	Bitterwasser	X2176	QAQC CRM	AMIS0341	5180
BMB02	Bitterwasser	X2106	QAQC CRM	AMIS0342	1820
BMB05	Bitterwasser	X2143	QAQC CRM	AMIS0342	1780
BMB04	Bitterwasser	X2160	QAQC CRM	AMIS0342	1780

7.4.4. Metallurgical sampling (initial leaching test work)

For the initial leaching test work, three (3) tests were conducted at varying sulphuric acid concentrations. A stoichiometric amount of approximately 590 kg/t acid was added to dissolve the minerals. To optimise the dissolution of the lithium, additional sulphuric acid to the stoichiometric amount was added at 2.5%, 5% and 10% acid to solids ratios. After eight (8) hours the Li dissolution for the three tests was at 87%, 92% and 99% for 2.5%, 5% and 10%, respectively. The acid addition for these tests was much higher than required; yet, acid consumption is still more than 580 kg/t. However, it is important to note that these tests were only to determine whether the lithium was leachable and that further in-depth metallurgical tests need to be done.

7.4.5. Density determinations

A total of 15 clay samples were collected for density determinations, of which 7 samples were from the Upper clay and 8 samples were from the Lower clay. The density measurements of Lower clay units range between 1.038 – 1.227 g/cm³, with an average of 1.132 g/cm³, and the density of Upper clay ranges between 1.112 - 1.230 g/cm³, with an average of 1.156 g/cm³ (Table 11). The average density of the Upper and Lower clay units combined is 1.143 g/cm³.

Despite the fact that the Bitterwasser density measurements presented above were based on sound scientific measurements guided by standard operating procedures adopted by the company, published results of investigations on lithium clay properties presents values substantially higher (1.76 to 2.32 g/cm³) than that measured at Bitterwasser (Peek & Barry, 2019). Also density values of clays in general as sited in literature range between 1.5 and 2.5 g/cm³(Heckroodt, 1991) casting doubt on the 1.143 g/cm³ specific gravity measured at Bitterwasser.

The 15 density measurements done by BLE are the only undertaken by the company. For this reason, densities for similar clays presented in literature and those used by the other lithium clay exploration companies were used as a guide for the BLE resource model. From the above a low average density was taken at 1.6 g/cm³ and was the density used as an assumed density value for the Bitterwasser Main Pan instead of the measured values.

Table 11: Clay density samples from this drilling programme and their density determinations.

Auger_ID	Density sample ID	From (m)	To (m)	Thickness (m)	Unit	Density (g/cm³)
BMB01	BMB01_SG1	2.00	3.00	1.00	Upper clay	1.23
BMB04	BMB04_SG1	0.20	1.00	0.80	Upper clay	1.122
BMB05	BMG05_SG1	0.20	2.00	1.80	Upper clay	1.112
BMB05	BMG05_SG2	2.40	3.20	0.80	Upper clay	1.115
BMB06	BMB06_SG1	1.20	2.40	1.20	Upper clay	1.140
BMB07	BMB07_SG1	2.00	3.20	1.20	Upper clay	1.184
BMB08	BMB08_SG1	0.20	1.80	1.60	Upper clay	1.191
BMB01	BMB01_SG2	5.00	6.00	1.00	Lower clay	1.150
BMB01	BMB01_SG3	10.00	11.00	1.00	Lower clay	1.184
BMB04	BMB04_SG2	4.80	6.00	1.20	Lower clay	1.227
BMB05	BMG05_SG3	3.20	4.40	1.20	Lower clay	1.039
BMB06	BMB06_SG2	3.60	4.80	1.20	Lower clay	1.038
BMB07	BMB08_SG2	7.00	9.00	2.00	Lower clay	1.097
BMB08	BMB08_SG2	5.40	7.60	2.20	Lower clay	1.180
BMB09	BMB09_SG1	2.00	3.00	1.00	Lower clay	1.139

8. Mineral Resource and Ore Reserve Estimates

8.1. Introduction

Lithium production from clays on a commercial scale is still in its infancy; however several companies are currently working towards implementation of recently developed lithium recovery techniques from clays. Clay deposits in similar geological settings are presently being developed in Clayton Valley in Nevada USA, by Cypress Development (in pre-feasibility study stage) and Noram Ventures (NI43-101 indicated resource). Cypress Development reported average lithium grades of 867 ppm Li, while Noram Ventures reported lithium grades of 858 ppm Li, which is very similar to the estimated average grade within the Bitterwasser Main Pan. In addition there are some other comparable favourable factors for the Bitterwasser deposit such as geological setting and mineralisation style (Noram Ventures Inc.).

8.2. Resource Potential

Sufficient information in the form of crucial modifying factors exists to permit the estimation of a Mineral Resource (e.g. JORC, 2012) for this deposit. Bench scale metallurgical test work regarding the potential recoveries of Li from the Clay Units has been completed successfully. Leaching test work of the Clay Units demonstrated that Li is recoverable (using feasible volumes of sulphuric acid), that a viable sequential precipitation method of deleterious magnesium (and other cations) sulphates is achievable and the extraction of lithium to a marketable lithium carbonate (or hydroxide) product is possible.

However, detailed investigations concerning mining-, processing-, metallurgical-, infrastructure-, economic-, marketing-, legal-, environmental-, government- and social factors (“modifying factors”; JORC, 2012) have not been undertaken to date at Bitterwasser.

8.3. Data Acquisition Audit Procedure and Quality Assurance Control

The basic data acquisition initiative includes a complete set of Bitterwasser’s drillhole results, including collar ID and co-ordinates, lithology and related geological information, sample ID, sample size, sample quality, and assay results, are stored electronically in an Excel™ database. The original drillhole paper logs were captured into Excel™ and verified by the project geologist. All laboratory results were received in Excel™ format and were incorporated into the main database.

The Excel™ database was exported into modelling software for validation purposes. This software package has a series of automatic verification procedures including checking for overlapping intervals. Preliminary modelling provides a visual check that the auger holes plot correctly on the survey plan. Any errors identified were investigated by the responsible geologist prior to the commencement of more detailed two-dimensional modelling. Creo has independently verified the underlying sampling and assay data. Creo considers that given the general sampling programme, geological investigations, independent check assaying and, in certain instances, independent audits, the estimates reflect an appropriate level of confidence.

8.3.1. Verification of Quality and Spatial Data

Creo is satisfied that the correct quality assurance and quality control procedures were followed during the sample processing and that survey techniques capturing spatial data was accurate and true.

8.3.2. Volume estimation parameters and method

The area selected for drilling and consequently for volume estimation is located along a portion of the central axis of the Bitterwasser Main Pan. Volume estimation was applied to the clay units as was logged in the auger drillholes, which contain grades of ≥ 680 ppm Li. This estimation is constrained to 100 m beyond the outer limits of the 500 m x 500 m drilling grid covered by the drillholes (Figure 9).

8.3.3. Grade and tonnage estimation results

The volume estimated for the drilled area is 9 465 100 m³. Using the average calculated density of 1.6 g/cm³ for the Upper and Lower clay, the estimated resource is 15 144 160 tons at grades of 828 ppm Li and 1.79% K.

Table 12: The estimation results as based on a cut-off grade of 680 ppm Li.

Estimated Volume (m³)	S.G. (g/cm³)	Estimated tonnage (ton)	Li Grade (ppm)	K Grade (%)
9 465 100	1.6	15 144 160	828	1.79

8.3.4. Grade Trends

Vertical grade variation is evident in individual drillhole sample values and is distinctly evident in grade trends seen in the entire area drilled. Laterally grade values correlate relatively well with neighbouring boreholes exhibiting relatively good grade continuity between neighbouring boreholes. This consistency in grade profiles is clearly demonstrated in the variation of both lithium and potassium grade trends and in grade values in particular. Therefore, calculations of grade from borehole data can be done meaningfully for this portion of the pan deposit.

9. Mineral Resource Classification

9.1. Introduction

This section describes the status of the Bitterwasser Project in terms of its classification into an appropriate resource category.

9.2. Exploratory Data Analysis

Exploratory data analysis refers to the application of various statistical tools to characterize the statistical behaviour or grade distributions of the data set. In this case, the objective is to

understand the population distribution of the grade elements in the various units using such tools as histograms, descriptive statistics, and probability plots.

9.2.1. Assays

Analysis of the sample data shows that the arithmetic average value of the assayed samples is 677.5 ppm Li and the weighted average is 593.3 ppm Li. The lowest value obtained was 24 ppm Li, the highest value 1190 ppm Li and the range is therefore 24 ppm – 1190 ppm. The standard deviation is 217.8 ppm Li.

For the potassium, the analysis of the sample data shows that the arithmetic average value of the assayed samples is 1.71% K and the weighted average is 1.60% K. The lowest value obtained was 0.30% K, the highest value 2.93% K and the range is therefore 0.30% – 2.93%. The standard deviation is 0.390% K.

9.2.2. Sample Data Evaluation

Assay results of the samples obtained from the auger holes show a relative consistent increase in depth and an in general good lateral correlation in lithium and potassium mineralization values even over the long distances (500 m) between auger holes.

The highest lithium values occur at the base of the auger holes where the holes terminated at the lithofacies boundary between the overlying clay unit and the underlying sandy-clay unit. It is highly likely that lithium mineralisation may continue into this sandy-clay unit. However, the sandy-clay unit has not been sampled or analysed for lithium to date. It is, however, highly likely that lithium and potassium mineralisation will extend beyond the drilling depth rendering this resource potentially open-ended in depth.

9.2.3. Grade profile

The overall increase in lithium grade from surface to the base of the boreholes as confirmed by the vertical grade analysis (Figure 15) based on weighted average figures provides the opportunity for selective mining. As evident from the vertical grade analysis the weighted averages of samples taken from the top of the deposit range from 24 ppm to 400 ppm lithium weighted average of 394 ppm. Below this zone the lithium content increases drastically from 394 ppm to a weighted average of just below 1200 ppm lithium at the base of the drilled portion of the deposit. Stripping of the top (surface) layer will improve the overall grade significantly and at a cut-off grade of 680 ppm will result in a substantial increase of the resource grade.

9.2.4. Capping

A combination of decile analysis and a review of probability plots were used to determine the potential risk of grade distortion from higher-grade assays. A decile is any of the boreholes that divide the sorted data into ten equal parts so that each part represents one tenth of the sample or population. In a mining project, high-grade outliers can contribute excessively to the total lithium content of the deposit. The decile analysis indicated that grade capping was not warranted for any of the zones. This is not uncommon in these types of deposits where the grade tends to be uniformly distributed with very few outliers.

9.2.5. Quality and Quantity of Data

The 16 exploration auger holes were laid out in lines perpendicular to the Bitterwasser Main Pan strike, auger holes were drilled at 500 m intervals on a grid. Sample point spacing layout within the borehole was totally unbiased and not influenced by any geological features. The assay results were entered into a data base from where the data was imported into the Surpac® 3D modelling software where the data gets displayed spatially and ultimately block values could be calculated.

9.2.6. Quality Assurance/Quality Control

Samples were prepared at the Bitterwasser site, under the personal supervision of the project geologist.

The samples were dried, pulverized and split to approximately 150 g and the sealed pulps shipped to SGS Laboratories, Johannesburg, South Africa, an ISO 17025 accredited laboratory. SGS is accredited with SANAS and conducts its own quality checks to retain this rating. Bitterwasser Lithium Exploration (Pty) Ltd performed random checks on the performance of the laboratory in the form of blank or duplicate samples.

Although being an accredited laboratory, where the standards are supposedly kept to a high measure, the use of simple sample checks (duplicates, blanks and standards) are used as a standard procedure by Bitterwasser Lithium Exploration (Pty) Ltd. An umpire laboratory was used to confirm the accuracy of the SGS analysis by re-analysing one in eight samples at a second independent laboratory.

9.2.7. Block Tonnage Grade Estimation

For modelling purposes mineral resource blocks are defined adjacent to pan edges. The 3D visualisation of the orebody within GEMCOM Surpac® helps defining the blocks in relation to the orebody geometry. Blocks are generally 20m on strike and 5m in the dip direction.

Where blocks are defined adjacent to the pan edges, the grade and true width of the pan deposit in the block are estimated by calculating the arithmetic mean or “stretch average” of the samples along the pan edge. Sample spacing was taken at standard 0.2 m and the block value is derived by calculating the average value of the samples.

In instances where the sample interval is shown to be variable then the block is assigned the length-weighted arithmetic mean of the strip averages. If the resource block is surrounded by other sampling, the block is assigned values based on the mean of the surrounding sampling, weighted by the inverse of the distance from the sampling to the centre of the block. In each case, one mean value is determined for each channel sampling section first and the means are then averaged.

The number and spacing of auger drillholes intersecting the pan deposit is dictated by the position of the pan axis with respect to the orientation of the pan deposit being explored.

9.2.8. Mineral Resource Blocks

In selecting Resource blocks to be included in the mineral resource estimation, a cut-off grade of 680 ppm lithium is applied. This is an economic cut-off based on cash-flow analysis. A very conservative approach was followed in the cash-flow analysis resulting in an operating cost used here at some 40% higher than comparable lithium operations in other parts of the world. This cautious approach is highlighted by fact that virtually no overburden mining cost should be applicable at Bitterwasser which will call for much reduced operating cost compared to similar deposits where several tens of meters of overburden stripping are required.

At Bitterwasser some of the resource blocks that are below the cut-off grade are included within the 5-Year Forecast plan, where the blocks are required to be mined to extract the economic pay portion of the total resource, either for geological or geotechnical considerations.

For Bitterwasser Lithium Exploration (Pty) Ltd to include a resource block in the reserves, it must satisfy one of the following:

- ❖ Immediately available blocks
- ❖ Resource blocks that are readily minable, have all mining infrastructure in place and are fully equipped with services; or
- ❖ Blocks not immediately available

A block tonnage is calculated for each Resource block using the estimated true thickness, the block area and by using an average specific gravity (SG) for each of the mine areas

(sections). A density value of 1.6 g/cm³ is used. Development and waste material is also assigned a density of 1.6 g/cm³. The SG values have generally been accepted as being correct. The values were checked for accuracy by Bitterwasser Lithium Exploration (Pty) Ltd. Detailed variation of true block densities around these accepted standards has been found to be very consistent.

9.2.9. Classification

The resource blocks have been classified into an Inferred Resource based on the following criteria:

- ❖ **Inferred Mineral Resources:** Where blocks bounded by sampling on at least one side, or where the down dip continuation of a block has been demonstrated by auger-hole intersections. Inferred Resource blocks are limited to the drilled area where more data sets are available and are normally the blocks with the highest density of samples. Here geological interpretation suggests that continued mineralisation is likely even where no drilling information is available. These blocks are open ended in depth. Wide spaced auger sample data is available as the only data source.

9.2.10. Mineral Resource Estimation

Mineral Reserves are derived from Mineral Resources by:

- ❖ the application of appropriate in-situ cut-offs;
- ❖ the addition of dilution and development mining tonnes;
- ❖ the exclusion of those blocks within boundary, safety restrictions and also those not mineable from the current infrastructure or using the currently employed mining methods;
- ❖ the application of block factors, mine call factors and plant recovery factors such that the resulting estimates reflect yield grades.

9.3. Bitterwasser Lithium Exploration (Pty) Ltd's Mineral Resource

9.3.1. Introduction

This section describes the methods used to derive and classify the latest Mineral Resource estimates for the Bitterwasser project. Creo was responsible for the calculation of Bitterwasser Lithium Exploration's Mineral Resource figures.

9.3.2. Audit Procedures

Creo has independently verified the underlying sampling and assay data. Creo considers that given the extensive sampling program, geological investigations, independent check

assaying and, in certain instances, independent audits, the estimates reflect an appropriate level of confidence.

The Mineral Resource estimates use the terms and definitions as set out by JORC.

9.3.3. Mineral Resource Estimation Methodology

The method used for the estimation of the mineral resources here applied to the entire area that was drilled as part of the resource definition programme at the Bitterwasser Main Pan. The estimation of resource and reserve blocks is not typical of a mining operation where the value of resource blocks are estimated and classified well ahead of the mining blocks presently being developed and mined.

For the Bitterwasser Lithium Exploration (Pty) Ltd EPL area or any portion thereof to be considered a Mineral Resource it must be an occurrence of lithium of economic interest in such form, quality and quantity that there are reasonable and realistic prospects of lithium extraction for the lithium market. Here, location, quantity, grade, continuity and other geological characteristics of this mineral resource should be known, estimated from specific geological evidence and knowledge.

Lithium mineralisation does not demonstrate an inherent high variability in the distribution of economic extractable lithium. However, sampling this type of deposit requires a large number of samples. Standard drilling techniques are able to provide sufficient sample volumes and, therefore, the required data to enable estimation of tonnages and grades. Conventional drilling as currently employed provides sufficient information to determine the volume of the mineralisation zones, and its relationship to geological features. Therefore, for a deposit to be considered a Mineral Resource it is highly dependent on the availability of the results of appropriate spatial distribution and number of samples.

Because of the uniform nature of the lithium mineralisation zone and of the grade within it, most of the data for evaluating resource blocks is derived from data presented by adjacent auger holes. The continuity of grade values within the mineralised horizons is based primarily on sample analysis results. Mineral Resource blocks have been defined based on this information. The lithium deposit geometry has been modelled on the pan geometry and the lateral extension of blocks to a distance of 100 m beyond the perimeter auger holes, using the fence diagrams (Figure 18). This is used as a tool for visualising grade continuity and is an aid for mine planning. The outcome of this analysis was verified by modelling the

data using GEMCOM Surpac® 3D modelling software. This software allows the three-dimensional structure of the mineralised volume to be viewed graphically.

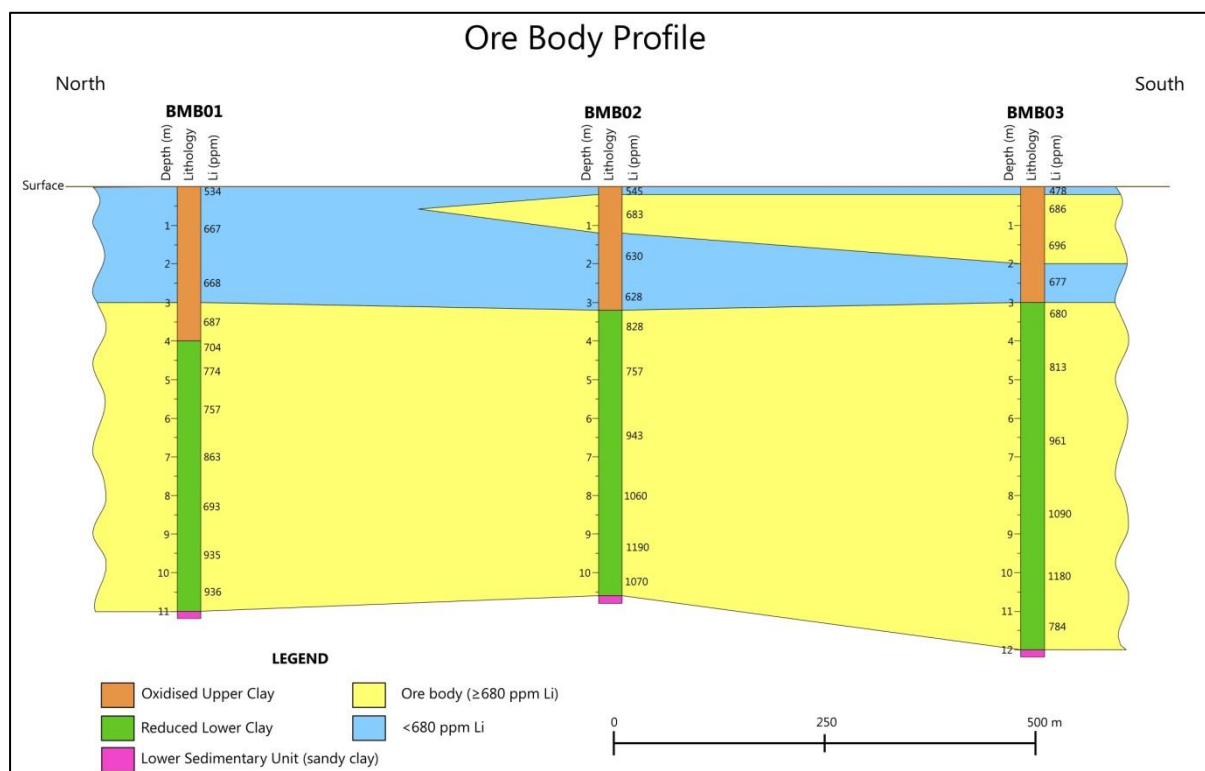


Figure 18: A typical north-south cross section of the drilled area based on three boreholes.

9.3.4. Resource Estimate Outcome

An audited Mineral Resource and Mineral Reserve statement for Bitterwasser Lithium Exploration (Pty) Ltd's Bitterwasser Project was issued on 2 August 2021.

The Mineral Resource estimate for Bitterwasser Lithium Exploration (Pty) Ltd is presented in Table 13 detailing the total estimated resource for the drilled approximately 26% portion of the Bitterwasser Main Pan at a cut-off grade of 680 ppm Li.

Table 13: Bitterwasser Lithium Exploration (Pty) Ltd Mineral Resource Estimate for the Bitterwasser project.

Mineral Resource				
Classification	Tonnage (kt)	Li Grade ppm	Contained Li (ton)	Lithium Carbonate Equivalent
Total Indicated	0	0	0	0
Total Inferred	15 100	828	12 503	66 929
Total Resources	15 100	828	12 503	66 929

9.4. Creo Comments

Creo considers that the quantity and quality of the drilling, sampling, sample preparation and sample handling is sufficient to delineate the Mineral Resources as presented above.

The inclusive approach adopted in the estimation of mineral resources is a consequence of the ability to predict even over long distances the extent and grade of the deposit due to the simple lithological composition and mineralisation style and the correct interpretations thereof. The approach used by Creo to derive their Mineral Resource estimates is generally considered to be appropriate to the orebody being evaluated and in line with generally accepted norms and standards.

The estimation method of Resource blocks from sample data is not based only on actual grade continuity and on geostatistically proven methods and parameters, but also on historically accepted methods using arithmetic averaging and inverse distance weighting to estimate block values. The classification of mineral resources is based on the availability and position of data in relation to the block being classified. The spatial extent of the considered resources is limited by a distance that is historically accepted and not based on the measured accuracy of the estimation. When comparing successive resource estimates, it is noted that the Inferred Resources well defined as an almost cuboid shape body. It must be accepted that despite the simplicity of the mineralised horizons and the estimation techniques applied, the estimation methodology should determine estimates of the block grades which are on average equal to the true mean estimates.

Creo considers there is good potential for the delineation of further Mineral Resources and Mineral Reserves following on-going exploration and development. The Bitterwasser Lithium Exploration (Pty) Ltd economic model includes an annual revolving drilling budget to investigate the extensions to known lithium deposits outside of the currently defined Mineral Resource base.

10. Conclusions and Recommendations

Based on the information presented, Creo considers the data collection procedures applied during the sampling phase appropriate and the sample database suitable for the purpose of resource estimation.

Creo believes that the auger drilling done in the near surface horizon is currently sufficient for delineating a sizeable open pit with an appreciable proportion of material in the Inferred category.

Auger drilling data and the 3D modelling undertaken indicates that mineralisation may extend in a northerly and southerly direction and potential scope exists to extend the resource in depth. Infill and extensional diamond core drilling will improve the geological as well as the resource confidence in the areas currently identified as targets. Further to that, it is very likely that the present day pans such as the Bitterwasser Main Pan, perceived to be confined by mobile dunes in a larger mobile dune field, are in fact part of one large pan in part obscured by dunes. Here a very good probability exists that the pans seen today are part of a larger pan with younger dunes migrating over and masking a larger pan feature.

To date only the lithium bearing clay has been considered as a potential resource target with no work done on the brine potential at this prospect as yet.

Bitterwasser Lithium Exploration (Pty) Ltd is to execute further exploration work in order to potentially delineate the saline and/or brine aquifer system (represented by the electrically conductive anomaly underlying the mineralized Li-clay sequences) in the Bitterwasser saltpan complex. Bitterwasser Lithium Exploration (Pty) Ltd is also to prove the existence of significant Li grades within this saline and/or brine aquifer. This exploration programme could be conducted in three phases.

Phase 1 would seek to confirm that lithium is associated with some or all of the aquifers known to occur at depth within the Bitterwasser saltpan complex. Several domestic water-supply boreholes in the Bitterwasser saltpan complex are to be analysed for this purpose. If Phase 1 is successful, the area with the highest potential would be selected for further airborne electromagnetic- and magnetic-surveying in order to identify favourable structurally hosted sub-basins and or Li enriched saline and/or brine aquifers which may be hosted. Exploration drill targets would be selected from these results and a limited number of drillholes (4 to 6) would be drilled with the aim of intersecting Li bearing clays and/or brines. If intersections from this drilling are found to be economically significant further exploration would be conducted to add to the existing resource volume.

Below is a summary of the planned work by BLE and the estimated costs.

Year 1 – R1.5 million

- ❖ Auger drilling (R400 000)
 - Additional 52 auger boreholes (estimate 240 m) of drilling of the Bitterwasser Main Pan (complete 500 m grid over the pan)
 - Drilling of three holes in each of the other pans (estimate 18 holes, 150 m)
 - Sample analyses
- ❖ Update Resource Statement (R100 000)

❖ Metallurgical Test Work (R1 000 000)

- BLE have link up with a lithium processing company in Germany ANZAPLAN www.anzaplan.com
- BLE will send 200 kg of brown clay and 200 kg of the green clay to them
- They will then free of charge do all the initial mineralogy, PSD, and high level metallurgical test work (testing various methods)
- They will then propose a process flow chart and do bench scale test work on around 150 kg of each sample.

Year 2 – Will only take place if positive metallurgical test results are obtain in year 1 – R6.1 million

❖ Auger drilling (R1 500 000)

- Drilling of the high grade area on the Bitterwasser Main Pan on a 250 m grid (Estimate 50 holes – 500 m)
- Drilling of additional pans
- Sample analysis

❖ Update Resource Statement (R200 000)

❖ Metallurgical test work (R3 000 000)

- Bulk Metallurgical Test work

❖ Convert Resource to Reserve (R400 000)

Pre-economic Assessment (R1 000 000)

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Competent Person's Consent

Pursuant to the requirements of Listing Rules and
Clause 9 of the JORC Code 2012 Edition (Written Consent Statement)

Report name

Independent Geological Report on the Lithium Resource at the Bitterwasser Pan,
Hardap Region, Namibia

Released by Bitterwasser Lithium Exploration (Pty) Ltd

On the Lithium Resources at the Bitterwasser Main Pan, Hardap Region, Namibia on
which the Report is based, for the period ended 19 October 2021.

November 2021

Statement

I, Johan Hattingh

confirm that I am the Competent Person for the Report and that:

- I have read and understood the requirements of the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code, 2012 Edition).
- I am a Competent Person as defined by the JORC Code 2012 Edition, having twenty two years experience that is relevant to the style of mineralisation and type of deposit described in the Report, and to the activity for which I am accepting responsibility.
- I am registered with the South African Council for Natural Scientific Professions.
- I have reviewed the Report to which this Consent Statement applies.

I am a full time employee of Creo Design (Pty) Ltd and have been engaged by Bitterwasser Lithium Exploration (Pty) Ltd to prepare the documentation for on the Lithium Resources at the Bitterwasser Main Pan, Hardap Region, Namibia on which the Report is based, for the period ended 19 October, 2021.


I have disclosed to the reporting company the full nature of the relationship between myself and the company, including any issue that could be perceived by investors as a conflict of interest.

I verify that the Report is based on and fairly and accurately reflects in the form and context in which it appears, the information in my supporting documentation relating to Exploration Targets, Exploration Results, Mineral Resources.

Consent

I consent to the release of the Report and this Consent Statement by the directors of:

Bitterwasser Lithium Exploration (Pty) Ltd



Signature of Competent Person

02 November 2021
Date:

South African Council for Natural Scientific Professions

Professional Membership:



Signature of Witness:

#400112/93
Membership Number:

Riaan Zeeman
Print Witness Name and Residence:

Robertson

Appendix I

List of all samples collected during the auger drilling programme.

AUGER_ID	REMAINDER COMPOSITE SAMPLE ID (LEACHING)	ICP-OES/MS COMPOSITE SAMPLE ID (ICP-OES)	SAMPLE TYPE	FROM (M)	TO (M)	THICKNESS(M)	SAMPLE WEIGHT (G)	MAJOR UNIT
BMB02	BMB02_S1	X2101	Geo	0.00	0.20	0.20	317	Upper clay
BMB02	BMB02_S2	X2102	Geo	0.20	1.20	1.00	538.5	Upper clay
BMB02	BMB02_S3	X2103	Geo	1.20	2.40	1.20	570	Upper clay
BMB02	BMB02_S4	X2104	Geo	2.40	3.20	0.80	574	Upper clay
BMB02	BMB02_S5	X2105	Geo	3.20	4.00	0.80	823	Lower clay
BMB02	BMB02_S6	X2107	Geo	4.00	5.60	1.60	657.5	Lower clay
BMB02	BMB02_S7	X2108	Geo	5.60	7.20	1.60	601.5	Lower clay
BMB02	BMB02_S8	X2109	Geo	7.20	8.80	1.60	570.5	Lower clay
BMB02	BMB02_S9	X2110	Geo	8.80	9.80	1.00	663.5	Lower clay
BMB02	BMB02_S10	X2111	Geo	9.80	10.6	0.80	559	Lower clay
BMB03	BMB03_S1	X2114	Geo	0.00	0.20	0.20	159	Upper clay
BMB03	BMB03_S2	X2115	Geo	0.20	1.00	0.80	356	Upper clay
BMB03	BMB03_S3	X2116	Geo	1.00	2.00	1.00	471.5	Upper clay
BMB03	BMB03_S4	X2118	Geo	2.00	3.00	1.00	358.5	Upper clay
BMB03	BMB03_S5	X2119	Geo	3.00	3.60	0.60	291.5	Lower clay
BMB03	BMB03_S6	X2120	Geo	3.60	5.60	2.00	535.5	Lower clay
BMB03	BMB03_S7	X2121	Geo	5.60	7.60	2.00	440.5	Lower clay
BMB03	BMB03_S8	X2122	Geo	7.60	9.40	1.80	772	Lower clay
BMB03	BMB03_S9	X2123	Geo	9.40	10.7	1.30	559	Lower clay
BMB03	BMB03_S10	X2124	Geo	10.70	12.0	1.30	621.5	Lower clay
BMB01	<i>BMB01_S1</i>	<i>X2127</i>	<i>Geo</i>	<i>0.00</i>	<i>0.20</i>	<i>0.20</i>	<i>486</i>	<i>Upper clay</i>
BMB01	BMB01_S2	X2128	Geo	0.20	2.00	1.80	846	Upper clay
BMB01	BMB01_S3	X2129	Geo	2.00	3.00	1.00	942.5	Upper clay
BMB01	BMB01_S4	X2130	Geo	3.00	4.00	1.00	500	Upper clay
BMB01	BMB01_S5	X2131	Geo	4.00	4.40	0.40	562	Lower clay
BMB01	BMB01_S6	X2133	Geo	4.40	5.20	0.80	732	Lower clay
BMB01	BMB01_S7	X2134	Geo	5.20	6.40	1.20	859	Lower clay
BMB01	BMB01_S8	X2135	Geo	6.40	7.60	1.20	682.5	Lower clay
BMB01	BMB01_S9	X2136	Geo	7.60	9.00	1.40	1012.5	Lower clay
BMB01	BMB01_S10	X2137	Geo	9.00	10.00	1.00	776	Lower clay

BMB01	BMB01_S11	X2138	Geo	10.00	11.00	1.00	792.5	Lower clay
BMB05	BMB05_S1	X2141	Geo	0.00	0.20	0.20	486	Upper clay
BMB05	BMB05_S2	X2142	Geo	0.20	2.40	2.20	555.5	Upper clay
BMB05	BMB05_S3	X2144	Geo	2.40	3.20	0.80	468	Upper clay
BMB05	BMB05_S4	X2145	Geo	3.20	4.40	1.20	548.5	Lower clay
BMB05	BMB05_S5	X2146	Geo	4.40	5.80	1.40	474	Lower clay
BMB06	BMB06_S1	X2148	Geo	0.00	0.20	0.20	450.5	Upper clay
BMB06	BMB06_S2	X2149	Geo	0.20	1.20	1.00	574.5	Upper clay
BMB06	BMB06_S3	X2150	Geo	1.20	2.40	1.20	544.5	Upper clay
BMB06	BMB06_S4	X2152	Geo	2.40	3.60	1.20	707	Lower clay
BMB06	BMB06_S5	X2153	Geo	3.60	4.80	1.20	552	Lower clay
BMB06	BMB06_S6	X2154	Geo	4.80	6.20	1.40	699	Lower clay
BMB04	BMB04_S1	X2156	Geo	0.00	0.20	0.20	345	Upper clay
BMB04	BMB04_S2	X2157	Geo	0.20	2.20	2.00	705	Upper clay
BMB04	BMB04_S3	X2158	Geo	2.20	3.60	1.40	562.5	Upper clay
BMB04	BMB04_S4	X2159	Geo	3.60	4.20	0.60	537	Upper clay
BMB04	BMB04_S5	X2161	Geo	4.20	4.80	0.60	668	Lower clay
BMB04	BMB04_S6	X2162	Geo	4.80	6.00	1.20	756	Lower clay
BMB04	BMB04_S7	X2163	Geo	6.00	7.40	1.40	628.5	Lower clay
BMB09	<i>BMB09_S1</i>	X2165	Geo	0.00	0.20	0.20	239	<i>Upper clay</i>
BMB09	BMB09_S2	X2166	Geo	0.20	0.60	0.40	461.5	Upper clay
BMB09	BMB09_S3	X2167	Geo	0.60	1.00	0.40	573	Upper clay
BMB09	BMB09_S4	X2169	Geo	1.00	2.00	1.00	508.5	Lower clay
BMB09	BMB09_S5	X2170	Geo	2.00	4.80	2.80	643.5	Lower clay
BMB09	BMB09_S6	X2171	Geo	4.80	7.60	2.80	610	Lower clay
BMB08	BMB08_S1	X2173	Geo	0.00	0.20	0.20	42	Upper clay
BMB08	BMB08_S2	X2174	Geo	0.20	1.80	1.60	677.5	Upper clay
BMB08	BMB08_S3	X2175	Geo	1.80	2.60	0.80	527	Upper clay
BMB08	BMB08_S4	X2177	Geo	2.60	3.60	1.00	633	Upper clay
BMB08	BMB08_S5	X2178	Geo	3.60	5.40	1.80	708	Lower clay
BMB08	BMB08_S6	X2179	Geo	5.40	7.60	2.20	674.5	Lower clay

BMB07	BMB07_S1	X2181	Geo	0.00	0.20	0.20	267.5	Upper clay
BMB07	BMB07_S2	X2182	Geo	0.20	2.00	1.80	584.5	Upper clay
BMB07	BMB07_S3	X2183	Geo	2.00	3.20	1.20	585	Upper clay
BMB07	BMB07_S4	X2185	Geo	3.20	4.00	0.80	488	Upper clay
BMB07	BMB07_S5	X2186	Geo	4.00	7.00	3.00	829.5	Lower clay
BMB07	BMB07_S6	X2187	Geo	7.00	9.00	2.00	593	Lower clay
BMB10	BMB10_S1	X2189	Geo	0.20	2.00	1.80	513.5	Upper clay
BMB11	BMB11_S1	X2190	Geo	0.20	0.60	0.40	524.5	Upper clay
BMB14	BMB14_S1	X2191	Geo	0.20	2.00	1.80	399.5	Upper clay
BMB14	BMB14_S2	X2192	Geo	2.00	4.00	2.00	918	Lower clay
BMB13	BMB13_S1	X2193	Geo	0.20	0.60	0.40	258	Upper clay
BMB13	BMB13_S2	X2194	Geo	0.60	1.60	1.00	399.5	Upper clay
BMB12	BMB12_S1	X2195	Geo	0.20	1.40	1.20	119	Upper clay

Appendix II

Assays results of all samples collected during the auger drilling programme.

	Wt	Al	Si	As	Li	Fe	Mg	K	Mn
Sample #	g	%	%	ppm	ppm	%	%	%	ppm
X2101	317	3.17	23.6	68	545	1.79	8.17	1.79	345
X2102	538.5	2.54	20.9	63	683	1.47	9.88	1.69	292
X2103	570	2.37	21.2	87	630	1.36	9.7	1.64	270
X2104	574	2.52	21.5	47	628	1.43	9.48	1.77	273
X2105	823	2.15	18.6	72	828	1.28	11.8	1.67	240
X2107	657.5	2.09	17.3	116	757	1.26	11.3	1.7	236
X2108	601.5	1.93	16.8	46	943	1.19	11.9	1.54	222
X2109	570	5	1.76	18.5	1060	1.1	12	1.52	201
X2110	663.5	2.7	20.4	<30	1190	1.66	10.1	2.64	277
X2111	559	2.7	19.2	141	1070	1.74	9.58	2.7	337
X2114	159	2.99	23.4	77	478	1.67	7.27	1.61	315
X2115	356	2.65	20.3	34	686	1.48	9.89	1.62	292
X2116	471.5	2.38	21.1	44	696	1.35	10.4	1.71	275
X2118	358.5	2.4	20.2	45	677	1.39	10.4	1.69	277
X2119	291.5	2.52	19.8	74	680	1.46	10.4	1.77	286
X2120	535.5	2.25	19.4	60	813	1.35	11	1.84	250
X2121	440.5	1.84	17.6	81	961	1.18	11.6	1.57	220
X2122	772	1.75	19.1	48	1090	1.04	11.9	1.57	186
X2123	559	2.67	22.9	31	1180	1.65	9.43	2.57	267
X2124	621.5	3.08	>25	54	784	1.92	4.63	2.81	291
X2127	486	2.93	22.6	36	534	1.66	7.86	1.7	312
X2128	846	2.4	19.1	51	667	1.37	9.45	1.67	273
X2129,	942.5	2.31	19.6	208	668	1.36	10.3	1.67	271
X2130	500	2.24	18.2	48	687	1.36	10.1	1.59	268
X2131	562	2.33	18.8	32	704	1.39	10.4	1.62	266

X2133	732	2.17	17.9	116	774	1.32	11	1.66	259
X2134	859	2.23	18.3	78	757	1.3	10.9	1.7	240
X2135	682.5	1.92	17	108	863	1.16	11.7	1.47	220
X2136	1012.5	2.11	23.6	<30	693	1.08	8.99	1.75	183
X2137	776	2.95	>25	93	935	1.65	8.37	2.83	269
X2138	792.5	3.1	>25	39	936	1.77	8.17	2.93	287
X2141	486	2.5	>25	<30	349	1.39	5.63	1.33	255
X2142	555.5	2.57	20.9	76	493	1.43	8.56	1.7	273
X2144	468	2.76	21	<30	472	1.56	8.35	2.02	288
X2145	548.5	2.21	18.2	<30	451	1.23	10.3	1.56	221
X2146	474	1.94	15.5	80	411	1.08	10.3	1.4	190
X2148	450.5	2.96	23.7	62	422	1.61	7.19	1.48	307
X2149	574.5	2.6	20.1	64	566	1.42	8.53	1.38	274
X2150	544.5	2.49	21.7	83	533	1.38	9.04	1.67	260
X2152	707	2.54	21.9	42	564	1.48	8.7	1.94	276
X2153	552	2.61	19.2	<30	677	1.59	10.4	2.07	299
X2154	699	2.34	17.9	<30	695	1.36	10.8	1.72	248
X2156	345	3	22.4	45	470	1.64	7.87	1.5	317
X2157	705	2.34	19.7	31	579	1.29	9.36	1.53	268
X2158	562.5	2.49	19.7	58	649	1.39	9.77	1.8	269
X2159	537	2.53	19.7	99	763	1.5	10.8	1.94	291
X2161	668	2.65	17.9	38	838	1.55	10.7	1.97	292
X2162	756	2.45	20.4	91	806	1.38	10.1	1.82	260
X2163	628.5	2.06	19.3	36	1010	1.28	11.8	1.74	235
X2165	239	3.38	>25	103	488	1.86	7.48	1.72	353
X2166	461.5	3.46	24.2	47	528	1.81	8.22	1.7	359
X2167	573	2.97	21.6	76	675	1.58	9.52	1.56	301
X2169	508.5	2.49	22.7	54	653	1.42	10.2	1.66	281
X2170	643.5	2.65	24.3	79	574	1.3	8.88	1.84	250

X2171	610	2.1	18.9	<30	855	1.25	12.8	1.55	214
X2173	233	3.29	24.2	50	556	1.77	8.83	1.66	337
X2174	677.5	2.68	20.8	<30	730	1.54	10.2	1.72	313
X2175	527	2.38	21	65	622	1.37	9.78	1.63	271
X2177	633	2.5	20.8	84	709	1.49	10	1.87	300
X2178	708	2.37	19.6	114	700	1.37	10.4	1.78	259
X2179	674.5	1.92	16.3	89	1030	1.22	12.3	1.5	223
X2181	267.5	3.2	23.6	60	478	1.72	7.6	1.59	418
X2182	584.5	2.51	19.7	92	712	1.55	9.7	1.75	313
X2183	585	2.42	20.7	138	602	1.4	9.64	1.7	283
X2185	488	2.49	19.9	119	642	1.46	10.1	1.71	288
X2186	829.5	2.35	17.8	96	797	1.37	11.2	1.64	276
X2187	593	2	17.3	47	1020	1.27	11.7	1.54	231
X2188	43	0.85	>25	<30	20	1.63	0.02	0.28	166
X2189	513.5	2.5	19.7	124	678	1.4	9.75	1.37	276
X2190	524.5	2.95	20.9	58	440	1.74	8.51	1.83	301
X2191	399.5	2.24	20.8	69	425	1.18	9.03	1.09	242
X2192	918	2.37	19.9	144	502	1.31	10.4	1.53	249
X2193	258	2.38	23.1	76	279	1.23	6.49	1.15	217
X2194	399.5	2.42	20.2	76	284	1.32	7.85	1.21	227
X2195	119	2.3	19	103	343	1.31	8.03	1.23	217

Appendix III

JORC Table

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"> • <i>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.</i> • <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> • <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • Sampling was undertaken using industry standard practices and consist of hand-auger drilling by Bitterwasser Lithium Exploration (Pty) Ltd. during 2019. • All drill holes are vertical • A total of 89 samples were taken from the core of the drilling campaign, of these 74 where for chemical/metallurgical analysis and 15 for QAQC purposes. • Samples ranged from 1012 g to 42 g. • An additional 15 density samples were collected. • To minimize sample contamination, the collected sediment samples were placed on a canvas cloth, while the clay-bit was cleaned with a wet cloth and water after every sample. • All drill hole and sample locations are mapped in WGS84 UTM zone 33S • During 2010 sampling was undertaken using industry standard practices and consisted of surface sampling by Botha & Hattingh,(2017). • 24 soil samples were taken from pits of 1.5 m depth. Two (2), 500 ml groundwater samples were taken from taps attached to the wind pumps. • Measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used are not known, because this information is not recorded in available documents.
<i>Drilling techniques</i>	<ul style="list-style-type: none"> • <i>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).</i> 	<ul style="list-style-type: none"> • 16 vertical hand-auger drillholes were drilled perpendicular to the long axis of the main Bitterwasser pan. • The holes were drilled on a 500 m x 500 m grid and have a total core length of 93.10 m. • A 250 mm long auger clay-bit with a 90 mm outer diameter was used. • The depth of the holes ranged from 0.8 m to 12.20 m.

Criteria	JORC Code explanation	Commentary
Drill sample recovery	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • Core recovery in the mineralised pegmatite was almost 100% due to the cohesive nature of the clay. • Core loss was recorded as part of the operational procedures where the core loss was calculated from the difference between actual length of core recovered and penetration depth measured as the total length of the drill string after subtracting the stick-up length. • Measures taken to maximise sample recovery and ensure representative nature of the samples is not recorded in available documents. • No apparent bias was noted between sample recovery and grade.
Logging	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • All drill holes were fully logged and are qualitative. • The core has been logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • The total length of the mineralized clay logged is 85.80 m and the percentage is 92%. • The soil samples of Botha & Hattingh, (2017) have been logged according to industry standards.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • Each of the 74 samples was split into two. One split was for chemical analysis and the other split for initial sequential leach (metallurgical) test work. • The Upper clay was composite sampled at an interval of 0.90 m and 478 g/composite sample (45 % of total sample material collected), while the Lower Clay Unit was sampled at an average interval of 1.45 m and 643 g/composite sample. • No information is available on sub-sampling techniques and sample preparation of Botha & Hattingh,(2017), because such procedures are not documented in available documents. It is assumed that sampling was undertaken using industry standard practices.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • The samples were analyzed at SGS laboratory in Randfontein, South Africa. • Sodium peroxide fusion ICP-OES with an ICP-MS finish for analysis of Li (ppm), K (%), Al (%), Cr (%), Si (%), Ti (%), As (ppm), Cd (ppm), Fe (%), Mg (%), Mn (%), P (%), Co (%) and Y (%) was done.

Criteria	JORC Code explanation	Commentary
	<p><i>make and model, reading times, calibrations factors applied and their derivation, etc.</i></p> <ul style="list-style-type: none"> • <i>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.</i> 	<ul style="list-style-type: none"> • Sequential leach (metallurgical) test work (Acid leach). • The QAQC samples consisted of African Minerals Standards (Pty) Ltd's (AMIS) certified reference materials AMIS0339 (standard), AMIS0341 (standard), AMIS0342 (standard), AMIS0355 (standard) and AMIS0439 (blank) and were inserted on average every 6 – 7 m within the sampling stream. • The Botha & Hattingh, (2017) samples were submitted to the University of Stellenbosch Central Analytical Facility in Stellenbosch South Africa for analysis, between 20 April and 13 July 2010 • The samples were analysed of lithium, boron and the cations Ca, Mg, K and Na. • Lithium and boron analysis was conducted using ICP analysis, while the cations were analysed using AAS. • Only samples which yielded Li values above 300 ppm were included in the cation analysis. • Sample preparation for Li, B and cation analysis was by acid digestion. • It is assumed that industry best practices was used by the laboratories to ensure sample representivity and acceptable assay data accuracy, however the specific QAQC procedures used are not recorded in available documents
<p><i>Verification of sampling and assaying</i></p>	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • All samples and data were verified by the project geologist. • Creo reviewed all available sample and assay reports and is of the opinion that the electronic database supports the field data in almost all aspects and suggests that the database can be used for resource estimation. • All sample material was bagged and tagged on site as per the specific drill hole it was located in. The sample intersections were logged in the field and were weighed at the sampling site. • All hard copy data-capturing was completed at the sampling locality. • All sample material was stored at a secure storage site. • The original assay data has not been adjusted. • Recording of field observations and that of samples collected was done in field notes and transferred to and electronic data base following the Standard Operational Procedures. • No twin holes were drilled.

Criteria	JORC Code explanation	Commentary
<i>Location of data points</i>	<ul style="list-style-type: none"> • Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> • The locations of all the samples were recorded. • The sample locations is GPS captured using WGS84 UTM zone 33S. • The quality and accuracy of the GPS and its measurements is not known, because it is not stated in available documents.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • The drill holes are spaced on a 500 m x 500 m grid. • The data spacing and distribution of the drill holes and samples 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 • The Upper clay was composite sampled at an interval of 0.90 m and 478 g/composite sample (45 % of total sample material collected), while the Lower Clay Unit was sampled at an average interval of 1.45 m and 643 g/composite sample • For the Botha & Hattingh,(2017)samples, the P02 pits were spaced at 900 m and the P03 pits were spaced at 2500 m.
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> • 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. 	<ul style="list-style-type: none"> • The holes were all drilled vertical and perpendicular to the sediment horizons and all the sediment horizons were sampled equally and representative. • The lithium is not visible; therefore, no bias could take place when selecting the sample position. • The orientation of the Botha & Hattingh,(2017) sample pits is vertical and sampling occurred perpendicular to the soil horizons and all the soil horizons were sampled equally and representative. • The orientation of the sampling is unbiased. • The relationship between the sampling orientation and the orientation of key mineralized structures is not considered to have introduced a sampling bias.
<i>Sample security</i>	<ul style="list-style-type: none"> • The measures taken to ensure sample security. 	<ul style="list-style-type: none"> • Bitterwasser Lithium Exploration (Pty) Ltd. maintained strict chain-of-custody procedures during all segments of sample handling, transport and samples prepared for transport to the laboratory are bagged and labelled in a manner which prevents tampering. Samples also remain in Bitterwasser Lithium Exploration (Pty) Ltd control until they are delivered and released to the laboratory. • An export permit was obtained from the Namibian Mining Department

Criteria	JORC Code explanation	Commentary
		<p>to transport the samples across the border.</p> <ul style="list-style-type: none"> Measures taken by Botha & Hattingh, (2017) to ensure sample security have not been recorded in available documents.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> Audits and reviews were limited to the Standard Operational Procedures in as far as data capturing was concerned during the sampling. Creo considers that given the general sampling programme, geological investigations and check assaying, the procedures reflect an appropriate level of confidence.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <i>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.</i> <i>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.</i> 	<ul style="list-style-type: none"> The Bitterwasser Project area is east of Kalkrand in south central Namibia, some 190 km south of Windhoek in the Hardap Region. The Bitterwasser Lithium Project comprise of three exclusive exploration licences, EPLs 5353, 5354 and 5358, all held by Bitterwasser Lithium Exploration (Pty) Ltd. The project covers a total area of 59 323.09 hectares. Environmental Clearance Certificates was obtained by BLE for all three EPLs. A land-use agreement, including access to the property for exploration has been obtained through the Ministry of Agriculture, Water and Forestry of Namibia.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> A regional reconnaissance investigation in the form of a systematic field survey covering the entire southern Namibia and some parts of the Northern Cape Province of South Africa was done during 2009 and 2010. The reconnaissance investigation was aimed at establishing the prospectiveness of the area that could potentially sustain economic exploitation of soda ash and lithium (Botha & Hattingh, 2017).
<i>Geology</i>	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> The Main Bitterwasser Pan forms part of the Cenozoic aged Kalahari

Criteria	JORC Code explanation	Commentary
		<p>Group and comprises a lithium, potassium and boron enriched sulphate-, chlorite- and carbonate- saltpan.</p> <ul style="list-style-type: none"> • Post-Cretaceous Brukkaros alkaline volcanics and sub-volcanics in the area and are potential source rocks for the lithium. • The presence of an active deep-seated connate/hydrothermal water circulation network is suggested, which acts as a transport mechanism for lithium bearing brines into the overlying Gordonia Formation pan sediments. • High evaporation rates (>3200 mm/year) occurring in the area are favourable for brine formation and salt-concentration.
<i>Drill hole Information</i>	<ul style="list-style-type: none"> • <i>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:</i> <ul style="list-style-type: none"> ○ <i>easting and northing of the drill hole collar</i> ○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> ○ <i>dip and azimuth of the hole</i> ○ <i>down hole length and interception depth</i> ○ <i>hole length.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • Drill results have been described in section 7.3 of this report. • All relevant data is included in the report.
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> • <i>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.</i> • <i>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.</i> • <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> • A cut-off grade of 680 ppm Li was used. The estimated volumes and grades are based on this cut-off grade.
<i>Relationship between mineralisation widths and</i>	<ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> 	<ul style="list-style-type: none"> • The drill holes were all drilled vertical, with the clay units being horizontal. • The mineralized clay thickness intercepted range from 1 m to 9 m.

Criteria	JORC Code explanation	Commentary
<i>intercept lengths</i>	<ul style="list-style-type: none"> 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'). 	
<i>Diagrams</i>	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The appropriate diagrams and tabulations are supplied in the main report.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> This report has been prepared to present the prospectivity of the project and results of historical and recent exploration activities. All the available reconnaissance work results have been reported.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The Namibian Government conducted a regional magnetic survey in the area. The Namibian Government conducted a radiometric survey of potassium in the area. An electromagnetic (EM) survey was done by the groundwater consultancy Geoss during October 2019.
<i>Further work</i>	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The next exploration phase should focus on the further exploration of the Main Bitterwasser pan, while also conducting exploration on some of the other pans in the region. See section 10 for detailed recommended and planned further exploration activities.

Section 3 Estimation and Reporting of Mineral Resources

Criteria	JORC Code explanation	Commentary
<i>Database integrity</i>	<ul style="list-style-type: none"> Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes. Data validation procedures used. 	<ul style="list-style-type: none"> Creo has independently verified the underlying sampling and assay data. Creo is of the opinion that the electronic database supports the field data in almost all aspects and suggests that the database can be used for resource estimation.
<i>Site visits</i>	<ul style="list-style-type: none"> Comment on any site visits undertaken by the Competent Person and the outcome of those visits. If no site visits have been undertaken indicate why this is the case. 	<ul style="list-style-type: none"> Johan Hattings the competent person conducted several site inspections visits since 2010 to the Bitterwasser area. During these visits, first hand field surveys were performed.

Criteria	JORC Code explanation	Commentary
<i>Geological interpretation</i>	<ul style="list-style-type: none"> • <i>Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</i> • <i>Nature of the data used and of any assumptions made.</i> • <i>The effect, if any, of alternative interpretations on Mineral Resource estimation.</i> • <i>The use of geology in guiding and controlling Mineral Resource estimation.</i> • <i>The factors affecting continuity both of grade and geology.</i> 	<ul style="list-style-type: none"> • Creo considers that the quantity and quality of the, sampling, sample preparation and handling is sufficient to declare the Mineral Resource to the level of confidence implied by the classification used in the report. • The inclusive approach adopted in the declaration of mineral resources and mineral reserves is a consequence of the ability to predict even over long distances the extent and grade of the deposit due to the simple lithological composition and mineralisation style and the correct interpretations thereof.
<i>Dimensions</i>	<ul style="list-style-type: none"> • <i>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</i> 	<ul style="list-style-type: none"> • The resource has a total area of 2 820 000 m². • The depth bellow surface of the upper limit of the resource range from 0.2 m to 4.8 m and the lower limit range from 6.2 m to 12 m.
<i>Estimation and modelling techniques</i>	<ul style="list-style-type: none"> • <i>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</i> • <i>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</i> • <i>The assumptions made regarding recovery of by-products.</i> • <i>Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).</i> • <i>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</i> • <i>Any assumptions behind modelling of selective mining units.</i> • <i>Any assumptions about correlation between variables.</i> • <i>Description of how the geological interpretation was used to control the resource estimates.</i> • <i>Discussion of basis for using or not using grade cutting or capping.</i> • <i>The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.</i> 	<ul style="list-style-type: none"> • The drilling data was used to generate a block model of the drilled portion of the pan sediment from which volume estimations were done. • The lithium deposit geometry has been modelled on the pan geometry and the lateral extension of blocks to a distance of 100 m beyond the perimeter auger holes, using the fence diagrams • The outcome of this analysis was verified by modelling the data using GEMCOM Surpac® 3D modelling software. • This is used as a tool for visualising grade continuity and is an aid for mine planning. • The resource was estimated at a cut-off grade of 680 ppm Li.
<i>Moisture</i>	<ul style="list-style-type: none"> • <i>Whether the tonnages are estimated on a dry basis or with natural</i> 	<ul style="list-style-type: none"> • Moisture was not considered during tonnage estimation.

Criteria	JORC Code explanation	Commentary
	<i>moisture, and the method of determination of the moisture content.</i>	
<i>Cut-off parameters</i>	<ul style="list-style-type: none"> <i>The basis of the adopted cut-off grade(s) or quality parameters applied.</i> 	<ul style="list-style-type: none"> A cut-off grade of 680 ppm Li has been applied during estimations.
<i>Mining factors or assumptions</i>	<ul style="list-style-type: none"> <i>Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</i> 	<ul style="list-style-type: none"> No assumptions have been made.
<i>Metallurgical factors or assumptions</i>	<ul style="list-style-type: none"> <i>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</i> 	<ul style="list-style-type: none"> No assumptions have been made.
<i>Environmental factors or assumptions</i>	<ul style="list-style-type: none"> <i>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</i> 	<ul style="list-style-type: none"> No assumptions have been made.
<i>Bulk density</i>	<ul style="list-style-type: none"> <i>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</i> <i>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity,</i> 	<ul style="list-style-type: none"> Bitterwasser Lithium Exploration (Pty) Ltd collected 15 samples to determine the specific gravity (SG) of the clay units. No bulk density has been measured because the SG is considered appropriate as an input into the ore body model. It was found that the 15 samples have an average SG of 1.143 g/cm³. A low average density was calculated at 1.6 g/cm³ and was the

Criteria	JORC Code explanation	Commentary
	<p><i>etc), moisture and differences between rock and alteration zones within the deposit.</i></p> <ul style="list-style-type: none"> • <i>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</i> 	<p>density used as an assumed density value for the Bitterwasser Main Pan.</p>
Classification	<ul style="list-style-type: none"> • <i>The basis for the classification of the Mineral Resources into varying confidence categories.</i> • <i>Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).</i> • <i>Whether the result appropriately reflects the Competent Person's view of the deposit.</i> 	<ul style="list-style-type: none"> • The Bitterwasser Lithium Exploration (Pty) Ltd exploration area in the Bitterwasser Main Pan is classified as an Inferred Mineral Resource. • Where blocks bounded by sampling on at least one side, or where the down dip continuation of a block has been demonstrated by auger-hole intersections. Inferred Resource blocks are limited to the drilled area where more data sets are available and are normally the blocks with the highest density of samples. Here geological interpretation suggests that continued mineralisation is likely even where no drilling information is available. These blocks are open ended in depth. Wide spaced auger sample data is available as the only data source. • The results reflect the Competent Person's view of the deposit.
Audits or reviews	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of Mineral Resource estimates.</i> 	<ul style="list-style-type: none"> • Creo has independently verified the underlying sampling and assay data. Creo considers that given the general sampling programme, geological investigations, independent check assaying and, in certain instances, independent audits, the estimates reflect an appropriate level of confidence
Discussion of relative accuracy/ confidence	<ul style="list-style-type: none"> • <i>Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.</i> • <i>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</i> • <i>These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</i> 	<ul style="list-style-type: none"> • Creo considers that the quantity and quality of the, sampling, sample preparation and handling is sufficient to declare the Mineral Resource to the level of confidence implied by the classification used in the audited Mineral Resource estimate given in this report.

Arcadia Minerals Limited

ARBN: 646 114 749

SCHEDULE TWO - SOLICITOR'S REPORT ON TENEMENTS



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opinion

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Unit 5 Bohemian Office,
Erf 7650 Friedrich Giese Street,
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Namibia

Per email: philip@lexrox.co.za

2 March 2022

TO:

- (1) **BITTERWASSER LITHIUM EXPLORATION (PROPRIETARY) LIMITED:** registration number 2019/0998, a company incorporated and registered in the Republic of Namibia, with its principal place of business at Erf 7650 Friedrich Giese Street, Klein Windhoek;
- (2) **LEXROX MANAGEMENT SERVICES (PROPRIETARY) LIMITED:** registration number 2018/024041/07, a company incorporated and registered in the Republic of South Africa, with its principal place of business at 210 Val De Vie, Paarl, Western Cape, South Africa.
- (3) **BRINES MINING EXPLORATION NAMIBIA (PROPRIETARY) LIMITED:** registration number 2020/0878; a company incorporated and registered in the Republic of Namibia, with its principal place of business at Erf 7650 Friedrich Giese Street, Klein Windhoek
- (4) **ARCADIA MINERALS LIMITED:** registered number 68211, a company incorporated in the Bailiwick of Guernsey, Channel Islands, United Kingdom, with and registered place of business at Oak House, Hirzel Street, St Peter Port, Guernsey, Chanel Islands.

(referred to hereinafter as the “Addressees”).

Dear Sirs,

**BITTERWASSER LITHIUM EXPLORATION (PROPRIETARY) LIMITED: CORPORATE STATUS AND
MINING TITLE OPINION**

1. GENERAL

- 1.1. We, **ENSAfrica | Namibia** (incorporated as Lorentz Angula Inc., registration number 2005/630), Attorneys, Notaries & Conveyancers of 3rd Floor, LA Chambers, Unit 4, Ausspann Plaza, Dr Agostinho Neto Road, Windhoek, Namibia ("**ENSAfrica | Namibia**" or "**we**") have been requested to provide this opinion (the "**Opinion**") to the Addressees as identified herein before in respect of –
 - 1.1.1. the holdership of certain mineral licences, being exclusive prospecting licences EPL 5358, EPL 5354 and EPL 5353 (referred to collectively hereinafter as the "**Licences**") held by Bitterwasser Lithium Exploration (Proprietary) Limited ("**Bitterwasser**"); and
 - 1.1.2. the corporate status of Bitterwasser.
- 1.2. This Opinion is constituted by this document and the schedules attached hereto, marked –
 - 1.2.1. **Schedule 1** – Opinion Documents;
 - 1.2.2. **Schedule 2** – Excerpt from Register of Mineral Licences;
 - 1.2.3. **Schedule 3** – Company Status Report (Excel Format): Bitterwasser;
 - 1.2.4. **Schedule 4** – Good Standing Certificate: Bitterwasser; and
 - 1.2.5. **Schedule 5** – Review of relevant transactional documentation.
- 1.3. ENSAfrica | Namibia is a private company conducting a legal practice in Namibia in terms of the provisions of the *Companies Act, 2004* and the *Legal Practitioners Act, 1995*.
- 1.4. The writer of this Opinion is a legal practitioner and a notary public admitted to legal practice in Namibia in terms of the *Legal Practitioners Act, 1995*, is in good standing with the Law Society of Namibia and is practicing as a Senior Associate at ENSAfrica | Namibia.
- 1.5. We provide this Opinion as independent legal counsel, duly mandated by the Addressees.
- 1.6. We have been requested to address this Opinion to the Addressees in connection with a envisioned acquisition by Brines Mining and Exploration Namibia (Proprietary) Limited of certain Exclusive Prospecting Licenses (EPL 5353, EPL 5354, and EPL 5358) held in the

name of Bitterwasser (the “**Transaction**”).

2. **METHODOLOGY AND BACKGROUND**

- 2.1. **Schedule 1** contains a list of documents that were made available to us and which we have inspected, and which we have reviewed for the purposes of this Opinion (the “**Opinion Documents**”).
- 2.2. For the purposes of this Opinion, we have reviewed the Opinion Documents, conducted further searches of public registers and have also considered such laws as we regarded necessary for the purposes hereof.

Searches

- 2.3. On 11 October 2021, 5 November 2021 and 2 March 2022, we conducted searches of the Register of Mineral Licences with the Ministry of Mines and Energy, and conducted searches on all the Licences.
- 2.4. On 11 October 2021, 3 November 2021 and 2 March 2022, we conducted searches of the Insolvencies Register at the offices of the Master of the High Court and examined its relevant entries for Bitterwasser from 2017 to date for any record of Bitterwasser having been placed into liquidation.
- 2.5. On 11 October 2021, we conducted searches on Bitterwasser’s company documents.
- 2.6. On 12 October 2021, we conducted searches with the Business and Intellectual Property Authority in respect of Bitterwasser, but were at the date of this Opinion unable to see Bitterwasser’s company files at the Business and Intellectual Property Authority, for which reason we relied on the corresponding documents reviewed, which were received from Bitterwasser.
- 2.7. On 7 October 2017 we received certificates of good standing at the Registrar of companies in regards to Bitterwasser.
- 2.8. On 11 October 2021, 3 November 2021 and 2 March 2022, we conducted searches on the eJustice electronic database operated by the High Court of Namibia to ascertain whether Bitterwasser had been previously or are currently party to any litigation.

Further Background

Mineral Licensing Regime

- 2.9. In terms of Article 100 of the *Constitution of the Republic of Namibia, 1990* (the “**Constitution**”) all natural resources below and above the surface of the land, in the continental shelf, within

the territorial waters and the exclusive economic zone of Namibia shall belong to the State if they are not otherwise owned.

2.10. In 1992 the Namibian parliament enacted the *Minerals (Prospecting and Mining) Act, 1992* (the "**Minerals (Prospecting and Mining) Act, 1992**"), which established the current mineral rights licensing regime in Namibia, and which regime is administered by the Minister of Mines and Energy (the "**Minister**"). The essential features of the system are as follows:

2.10.1. In terms of section 2 of the *Minerals (Prospecting and Mining) Act, 1992*, all rights in relation to the reconnaissance, prospecting for or mining and sale or disposal, and the exercise of control over any mineral or group of minerals vests in the State, notwithstanding any right of ownership of any person in relation to any land in, on or under which such minerals are found.

2.10.2. In terms of section 3 (1) (a) of the *Minerals (Prospecting and Mining) Act, 1992*, no person may carry out any reconnaissance operations, prospecting operations or mining operations in, on or under any land in Namibia, except under and in accordance with a mining claim or a mineral licence.

2.10.3. In terms of section 3 (1) (b) of the *Minerals (Prospecting and Mining) Act, 1992*, no person may transfer a mining claim or a mineral licence, or grant, cede or assign any interest to any other person, or be joined as a joint holder of such mining claim or mineral licence otherwise than in writing and with the approval in writing of the Minister.

2.10.4. In terms of section 1 of the *Minerals (Prospecting and Mining) Act, 1992*, a mineral is any substance, whether in solid or gaseous form, occurring naturally in, on or under any land and having been formed by, or subjected to, a geological process, but excludes water, petroleum, and also clay, gravel or stone when used for certain described purposes.

2.11. It must be noted that the holder of a mineral licence granted and issued in terms of the *Minerals (Prospecting and Mining) Act, 1992* essentially holds a bundle of rights against and obligations towards the State, but that such rights are not rights in land *per se*.

Types of Licences

2.12. In terms of the *Minerals (Prospecting and Mining) Act, 1992*, there are two main categories of licences relating to minerals:

Category 1

- 2.12.1 Non-exclusive prospecting licences and mining claims, which are reserved for Namibian citizens or corporate entities in which only Namibian citizens may hold an interest. These licences are issued by the Mining Commissioner (the “**Mining Commissioner**”).

Category 2

- 2.12.2 The “mineral licences”, under which category fall the following licences: exclusive prospecting licences (“**EPLs**”), reconnaissance licences (“**RLs**”), exclusive reconnaissance licences (“**ERLs**”), mining licences (“**MLs**”) and mineral deposit retention licences (“**MDRLs**”).
- 2.12.3 In terms of the *Minerals (Prospecting and Mining) Act, 1992*, the licences referred to in paragraph 2.4.2 are to be granted by the Minister, and to be issued by the Mining Commissioner. In practice, however, and since the inception of the *Minerals (Prospecting and Mining) Act, 1992*, the Mining Commissioner has executed the so-called “*Notice of Preparedness to Grant*” (presumably on behalf of the Minister) and the Minister has issued the mineral licence by executing the final document evidencing the mineral licence.

Eligible Licence Holders

- 2.13. In terms of section 46 of the *Minerals (Prospecting and Mining) Act, 1992*, mineral licences and interests in mineral licences may only be granted to:
- 2.13.1 a Namibian citizen who has reached the age of 18 (eighteen) years; or
- 2.13.2 a company incorporated under the laws of Namibia, including an external company.
- 2.14. There is no restriction on the percentage of foreign shareholding in a Namibian company holding a mineral licence.

Exclusive Prospecting Licences

- 2.15. Exclusive prospecting licences are granted and issued under Part X of the *Minerals (Prospecting and Mining) Act, 1992*.
- 2.16. In terms of section 67 (1) of the *Minerals (Prospecting and Mining) Act, 1992*, the rights of the holder of an exclusive prospecting licence comprise *inter alia* the entitlements to:

- 2.16.1 carry on prospecting operations in the prospecting area and in relation to the specific minerals to which the exclusive prospecting licence relates;
 - 2.16.2 remove, with the permission of the Mining Commissioner, minerals or groups of minerals for various purposes (for example sampling, sale or disposal) from Namibia;
 - 2.16.3 sell or dispose of minerals or groups of minerals with the permission of the Mining Commissioner; and
 - 2.16.4 construct accessory works.
- 2.17. In terms of section 67 (2) of the *Minerals (Prospecting and Mining) Act, 1992*, the holder of an exclusive prospecting licence does not obtain any preferential right to any other mineral licence, mineral or group of minerals other than those included in the applicable licence. It is therefore possible for more than one person to hold an exclusive prospecting licence over the same area, but then only in respect of different minerals.
- 2.18. In terms of section 71 of the *Minerals (Prospecting and Mining) Act, 1992*, exclusive prospecting licences may be granted and issued for an original period not exceeding three years, and may subsequently be renewed for not more than two periods of two years each. No further renewals are possible unless the Minister deems this desirable in the interests of the development of the mineral resources of Namibia.
- 2.19. Sections 72 (3) and 72 (4) of the *Minerals (Prospecting and Mining) Act, 1992* limits the Minister's powers to refuse renewal of an exclusive prospecting licence within the two contemplated two year periods of renewal provided for by the *Minerals (Prospecting and Mining) Act, 1992*. By way of a generalized summary, the Minister may not refuse the renewal of an exclusive prospecting licence if the licence holder has complied with all the terms and conditions of the exclusive prospecting licence, has complied with the prospecting program, and expended the agreed expenditure.
- 2.20. In terms of section 71 (3) of the *Minerals (Prospecting and Mining) Act, 1992*, exclusive prospecting licences shall not expire during a period in which an application for the renewal of such licence is being considered, until such application is refused, is withdrawn or lapses.
- 2.21. In terms of section 72 of the *Minerals (Prospecting and Mining) Act, 1992*, the licence holder shall on the first renewal application be required to relinquish 25% (twenty five percent) of the original licence area, and shall on any subsequent renewal application be required to relinquish a further 50% (fifty percent) of the licence area existing on the date of such application.
- 2.22. Various conditions attach to an exclusive prospecting licence, the principal sources of which are as follows:

- 2.22.1 The general provisions of the *Minerals (Prospecting and Mining) Act, 1992* applicable to all exclusive prospecting licences.
- 2.22.2 The general statutory licence conditions contained in section 50 of the *Minerals (Prospecting and Mining) Act, 1992*, applicable to all exclusive prospecting licences. These include, *inter alia*, the principal obligations to:
- 2.22.2.1 exercise all rights under the licence reasonably and in such a manner that the interests of the owner of the land are not adversely affected;
 - 2.22.2.2 give preference to Namibian citizens in employing employees;
 - 2.22.2.3 carry out training programmes to encourage and promote development of Namibian citizens;
 - 2.22.2.4 with due regard to technical and economic efficiency, make use of products or equipment manufactured or produced and services available in Namibia; and
 - 2.22.2.5 prepare environmental impact assessments and environmental management plans.
- 2.22.3 The individual licence conditions contained in the licence documents (more specifically the “*Notice of Preparedness to Grant*”), also known as the Supplementary Terms and Conditions.

Cancellation of Mineral Licences

- 2.23. In terms of section 55 of the *Minerals (Prospecting and Mining) Act, 1992* the Minister may by notice in writing addressed to a licence holder cancel a mineral licence in the case of:
- 2.23.1 the non-compliance by the licence holder with the terms and conditions of the mineral licence or the provisions of the *Minerals (Prospecting and Mining) Act, 1992*; or
 - 2.23.2 the winding-up of the licence holder if it is a company.
- 2.24. The Minister may, however, in the case of non-compliance, not cancel the mineral licence until such time as the Minister has addressed a written notice to the licence holder, specifying the particulars of the alleged non-compliance, and calling on the licence holder to make representations, and has taken into account any steps taken by the holder to remedy the non-compliance.

Environmental issues

- 2.25. In terms of section 31 (1) of the *Environmental Management Act, 2007*, and despite any other law to the contrary, a competent authority (including the Minister), may not issue an authorisation (including an exclusive prospecting licence) unless the proponent (meaning the person intending to conduct a listed activity, in this case the licence holder has obtained an environmental clearance certificate under the *Environmental Management Act, 2007*, and any authorisation issued contrary to section 31 (1) is “invalid”. In this regard –
- 2.25.1 the provisions of section 31 (1) of the *Environmental Management Act, 2007* are inconsistent with the current practice and the obligations imposed on the holder of an EPL, which usually involves the licence holder to prepare an assessment scoping study over the area, formulate and forward to the Ministry of Mines and Energy for approval an Environmental Management Plan Report within six months of the date of issue of an EPL;
- 2.25.2 it is in our experience and to our knowledge, the experience of other mining law practitioners in Namibia that in practice, not possible for the applicant of a mineral licence to access land to conduct an environmental impact assessment or environmental management plan for the purposes of obtaining an environmental clearance certificate. This essentially means that there can in fact, be no compliance with the provisions of section 31(1) of the *Environmental Management Act, 2007* in respect of an exclusive prospecting licence;
- 2.25.3 the *Minerals (Prospecting and Mining) Act, 1992* distinguishes between the “grant” of a licence and the “issue” of a licence, and section 31 (1) of the *Environmental Management Act, 1992* can arguably mean that it is not the (administrative) grant of the mineral licence that is invalidated, but only the issue of the actual physical licence document; and
- 2.25.4 the Ministry of Environment and Tourism has been made aware of this issue, which would affect every mineral licence issued by the Minister since the 7th February 2012, and we are given to understand that the Ministry of Environment and Tourism is pursuing legislative retroactive effect intervention.
- 2.26. With reference to paragraph 2.21, we are of the opinion that an argument can be made that the provisions of section 31 (1) and (2) of the *Environmental Management Act, 2007* will not affect the administrative grant of an EPL by the Minister, but only the issue (i.e. the execution of the licence document) of an EPL, and to the extent that this may be required in law, that the EPL could be re-issued (i.e. the physical licence document). This point has, however, not been settled by the Namibian courts as yet.

Land

- 2.27. In terms of section 52 (1) of the *Minerals (Prospecting and Mining) Act, 1992*, the holder of a mineral licence shall not exercise any rights conferred upon such licence holder by the *Minerals (Prospecting and Mining) Act, 1992* in, on or under any private land until such time as either –
- 2.27.1 such holder has entered into an agreement in writing with the owner of such private land, containing terms and conditions relating to the payment of compensation; or
 - 2.27.2 the owner of such private land has in writing waived any rights to such compensation, and such agreement or waiver has been submitted to the Mining Commissioner.
 - 2.27.3 Regulation 30 of the *Communal Land Reform Act, 2002*, states that every person who wants to carry out any prospecting or mining operations contemplated in terms of the *Minerals (Prospecting and Mining) Act, 1992* on communal land must notify, prior to the making of any application in terms of the *Minerals (Prospecting and Mining) Act, 1992*, the Chief or Traditional Authority of the traditional community of his or her intention to apply for the aforementioned. In practice, however, this consent is not sought by mineral licence holders.

Registers

- 2.28. In terms of section 51 of the *Minerals (Prospecting and Mining) Act, 1992*, the Mining Commissioner is required to keep a Register of Mineral Licences. The Register of Mineral Licences only exists as a computer database at the Ministry of Mines and Energy, which can be inspected and from which printouts can be made. In practice, searches conducted on the Register of Mineral Licences are affected by the officials in charge of printing extracts thereof in relation to specific holders of mineral licences. Past experience has shown that the Register of Mineral Licences is not always in all respects accurate. In terms of section 123 of the *Minerals (Prospecting and Mining) Act, 1992*, an extract from the Register of Mineral Licences, certified by the Mining Commissioner to be true and correct, shall, unless the contrary is proved, be conclusive evidence of the facts mentioned therein. It follows that the *Minerals (Prospecting and Mining) Act, 1992* does not warrant the correctness of the Register of Mineral Licences, as contrary proof is allowed and admissible. The Mining Commissioner does not invoke the provisions of section 123 and does not, in terms of the current practice, regularly certify an extract from the Register of Mineral Licences. However, the Mining Commissioner regards the Register of Mineral Licences as self-validating.

3. **ASSUMPTIONS AND QUALIFICATIONS**

Assumptions

- 3.1 In providing this Opinion, we have assumed:
- 3.1.1 the authenticity, completeness and conformity to originals of all Opinion Documents submitted to us, or examined and considered by us in copy;
 - 3.1.1 the genuineness of all signatures on all Opinion Documents considered by us for the purposes of this Opinion;
 - 3.1.2 that all signatures on the Opinion Documents are signatures of the persons they purport to be and that such signatories were duly authorised under the laws of Namibia to issue such Opinion Documents;
 - 3.1.3 the accuracy and completeness of official records maintained by any public office, in particular the Business and Intellectual Property Authority, the Registrar of the High Court, the Master of the High Court and the Ministry of Mines and Energy;
 - 3.1.4 the accuracy and completeness of Opinion Documents provided to us by or on behalf of Bitterwasser for the purposes of this Opinion; and
 - 3.1.5 that where the Opinion Documents impose any duty or obligation on a party, that each party to such Opinion Documents, other than Bitterwasser, has duly complied with the provisions, terms and conditions of the relevant Opinion Documents, and, more specifically, that Bitterwasser has in respect of the Licences duly complied with any and all of their obligations in terms of the provisions of the *Minerals (Prospecting and Mining) Act, 1992*, and that Bitterwasser is not in breach of any of their statutory or other obligations, and the terms and conditions applying to the Licences.

Limitations and Qualifications

- 3.2 This Opinion is provided subject to the following limitations and qualifications:
- 3.2.1 This Opinion is to be construed in accordance with Namibian law and our liability in respect of this Opinion is to be governed by Namibian law to the exclusion of any other laws.
 - 3.2.2 Information contained in this Opinion is given with reference to the date on which we conducted our relevant searches, as referred to herein.
 - 3.2.3 We have no duty to the Addressees to update this Opinion beyond its date of issue.
 - 3.2.4 We express no opinion with respect to the laws of any jurisdiction other than

Namibian law, or in relation to any documents which may be subject to or governed by the law of any other jurisdiction.

- 3.2.5 By accepting receipt of this Opinion, the Addressees acknowledges and agrees to all assumptions, limitations and qualifications contained and set out herein, and agrees to be bound by and observe and comply therewith.

4. **Report**

As on the date hereof, based on the aforesaid examinations, inspections and methodology, but subject to (1) the general assumptions, limitations and qualifications set out hereinbefore, and (2) any specific qualifications and further comments set out hereinafter, we report, advise and opine, as the case may be, as follows:

Corporate Status of Bitterwasser

Incorporation

- 4.1 The incorporation details of Bitterwasser as reflected in the various Report Documents, are as follows:
- 4.1.1 Name of the Company: Bitterwasser Lithium Exploration (Proprietary) Limited;
 - 4.1.2 Registration Number: 2019/0998;
 - 4.1.3 Date of incorporation: 4 September 2019;
 - 4.1.4 Registered Office: Unit 5 Bohemian Office, Erf 7650 Friedrich Giese Street, Klein Windhoek, Windhoek, Namibia;
 - 4.1.5 Postal Address: P.O. Box 25365, Windhoek.
- 4.2 In our opinion, Bitterwasser is validly incorporated in accordance with and validly exists as a private company with limited liability under the laws of Namibia. More specifically, Bitterwasser was incorporated under the *Companies Act, 2004*.

- 4.3 On 7 October 2012, we were provided with a good standing certificate from the Business and Intellectual Property Authority in relation to Bitterwasser, confirming that Bitterwasser is still operational and not liquidated and still on the registers of the Registrar of Companies' Office.
- 4.4 We have found no records indicating that Bitterwasser has been placed into provisional or final liquidation or judicial management, or that any resolution for Bitterwasser's liquidation or winding-up has been passed, nor have we found any records indicating that there are legal proceedings for the provisional or final liquidation or judicial management of Bitterwasser pending before the High Court of Namibia.

Memorandum and Articles of Association

- 4.5 We can report that Bitterwasser has adopted the standard Table B articles contained in Schedule 1 of the *Companies Act, 2004* for private companies having a share capital.
- 4.6 There is, in our opinion, nothing unusual or extraordinary regarding the contents of the memorandum or articles of Bitterwasser which would require us to specifically comment on in this Report.

Corporate Power to Conduct Business and Own Assets

- 4.7 Bitterwasser has the necessary corporate powers to own, lease and operate its property and assets and conduct its business as now conducted in Namibia. In this regard, we can report that Schedule 2 of the *Companies Act, 2004* provides for a wide range of powers that may be exercised by a company, which includes, *inter alia*, the right to purchase or acquire movable and immovable property.

Directors

- 4.8 The directors of Bitterwasser are reflected in the latest CM 29 reflecting a date stamp of 28 January 2022 as being -
- 4.8.1 Lisias Pius, identity number 90071500588, a Namibian citizen and entrepreneur, residing at Erf 8702, Pullman Street, Unit 10 Hosea Kutako Apartments, Windhoek who was appointed on 4 September 2019;

- 4.8.2 Jurie Hendrik Wessels, date of birth 12 April 1967, a South African citizen and entrepreneur, residing at 210 Val de Vie, Paarl, Western Cape, South Africa, who was appointed on 4th September 2019;
- 4.8.3 Philip le Roux, date of birth 21 October 2021, a South African citizen and entrepreneur, residing at 12 De Monte Street, Ausblick, Windhoek, Namibia; and
- 4.8.4 Leon van Neel, identity number 79100910627, a Namibian citizen and entrepreneur, residing at Erf 5568, Erastus Amgabeb Street, Windhoek, Namibia.

Auditors

- 4.9 The auditors of Bitterwasser Lithium Exploration are reflected in Bitterwasser Lithium Exploration's latest CM 29 Return dated 28 January 2022 as SGA Chartered Accountants and Auditors, Registered Accountants and Auditors, who were appointed on 18 November 2020.

Share Capital Structure and Shareholding

- 4.10 The share capital structure of Bitterwasser Lithium Exploration is as follows:
 - 4.10.1 Bitterwasser's authorized share capital comprises 4, 000 (four thousand) ordinary par value shares of N\$ 1.00 each.
 - 4.10.2 Bitterwasser's issued share capital comprises of 300 (three hundred) ordinary par value shares of N\$ 1.00 each.
- 4.11 According to the Register of Members Share Accounts –
 - 4.11.1 Leon Van Neel of Erf 5568 Erastus Amgabeb Street, Donkerhoek, Windhoek, Namibia holds 300 (three hundred) shares.
- 4.12 According to the Company Register as inspected on 13 October 2021, no shares of any class, other than the ordinary shares reported on in clauses 4.10 and 4.11 of this Report, have been created or been issued by Bitterwasser to any other person.

The Licences

- 4.13 Bitterwasser is the holder of the Exclusive Prospecting Licence referred to hereinafter, which, in our opinion, has been validly granted and issued, and which is valid and existing as at the date hereof:

Exclusive Prospecting Licence EPL 5353

Type of Licence	Exclusive Prospecting Licence
Number	EPL 5353
Holder	Bitterwasser Lithium Exploration (Proprietary) Limited
Minerals	Industrial Minerals
Status	Active
Commencement	4 June 2021
Expiry	3 June 2023
Region	Hardap
Registration Division	R
District	Mariental

<p>Schedule of Supplementary Terms and Conditions to the EPL</p>	<p>The Notice of Preparedness to Grant the renewal application for this exclusive prospecting licence, dated 4 June 2021 imposes certain terms and conditions on the EPL.</p> <p>The terms and conditions state <i>inter alia</i> that the holder of the mineral licence shall -</p> <p><i>“5. The holder of the exclusive prospecting licence shall –</i></p> <p><i>5.1 commence with, and thereafter continue without undue interruption or delay, prospecting operations immediately in substantial conformity with the proposed work programme, schedule and budget which accompanied the original application for the licence and which served as motivation of the granting thereof;</i></p> <p><i>[...]</i></p> <p><i>5.3 execute such additional work programme and expend such additional expenditure within a specified period of time as may be imposed by the Minister from time to time.</i></p> <p><i>5.4 make an oral representation to the Minister of Mines and Energy after the first year of the licence tenure.</i></p> <p><i>5.5 ensure that, all funds raised anywhere and exclusively in respect of this licence shall be expended on the licence and all/any activities relating thereto and, to the extent such funds are to be expended directly in Namibia, the Licence Holder shall ensure such funds are remitted to a</i></p>
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	<p>reputable financial institution in Namibia.</p> <p>[...]</p> <p>7. The holder of the exclusive prospecting licence shall observe any requirements, limitations or prohibitions on his or her prospecting operations as may in the interest of the environmental protection, be imposed by the Minister.</p> <p>8. The holder of the Exclusive Prospecting Licence shall adhere to the Environmental Contract already entered into with the Ministry of Environment and Tourism and that of Mines and Energy during the previous tenure.”</p>
Annual Returns	<p>Annual Quarterly Reports have been submitted up until the first quarter of 2020, being 31 March 2020.</p> <p>The next annual licence fee is due on or before 3rd February 2022. In addition, the next annual licence fee will be N\$ 15,000.00 (fifteen thousand Namibia Dollars As at 02nd March 2022, the outstanding annual fees amount to N\$ 16,350.00 (sixteen thousand three hundred and fifty Namibia Dollars).</p>
	<p>An environmental clearance certificate was issued for this EPL on 30th September 2021, being valid for a period of 3 (three) years and expiring on 30th September 2024. We therefore opine that the licence holder has duly complied with section 31 (1) of the <i>Environmental Management Act, 2007</i>. The environmental clearance certificate is still valid.</p>

Exclusive Prospecting Licence EPL 5358

Type of Licence	Exclusive Prospecting Licence
Number	EPL 5358
Holder	Bitterwasser Lithium Exploration (Proprietary) Limited
Minerals	Industrial Minerals
Status	Active
Commencement	4 June 2021
Expiry	3 June 2023
Region	Hardap
Registration Division	R
District	Mariental
Schedule of Supplementary Terms and Conditions to the EPL	The Notice of Preparedness to Grant the renewal application for this exclusive prospecting licence, dated 4 June 2021 imposes certain terms and conditions on the EPL.

The terms and conditions state *inter alia* that the holder of the mineral licence shall -

“5. The holder of the exclusive prospecting licence shall –

5.1 commence with, and thereafter continue without undue interruption or delay, prospecting operations immediately in substantial conformity with the proposed work programme, schedule and budget which accompanied the original application for the licence and which served as motivation of the granting thereof;

[...]

5.3 execute such additional work programme and expend such additional expenditure within a specified period of time as may be imposed by the Minister from time to time.

5.4 make an oral representation to the Minister of Mines and Energy after the first year of the licence tenure.

5.5 ensure that, all funds raised anywhere and exclusively in respect of this licence shall be expended on the licence and all/any activities relating thereto and, to the extent such funds are to be expended directly in Namibia, the Licence Holder shall ensure such funds are remitted to a reputable financial institution in Namibia.

[...]

7. The holder of the exclusive prospecting

	<p><i>licence shall observe any requirements, limitations or prohibitions on his or her prospecting operations as may in the interest of the environmental protection, be imposed by the Minister.</i></p> <p>8. The holder of the Exclusive Prospecting Licence shall adhere to the Environmental Contract already entered into with the Ministry of Environment and Tourism and that of Mines and Energy during the previous tenure.”</p>
<p>Annual Returns</p>	<p>Annual Quarterly Reports have been submitted up until the first quarter of 2020, being 3rd May 2020 to 31st August 2020.</p> <p>The next annual licence fee is due on or before 3rd February 2022. In addition, the next annual licence fee will be N\$10,000.00 (ten thousand Namibia Dollars). As at 02nd March 2022, the outstanding annual fees amount to N\$ 10,900.00.</p>
<p>Comments</p>	<p>An environmental clearance certificate was issued for this EPL on 13 September 2021, being valid for a period of 3 (three) years and expiring on 13th September 2024. We therefore opine that the licence holder has duly complied with section 31 (1) of the <i>Environmental Management Act, 2007</i>. The environmental clearance certificate is still valid.</p>

Exclusive Prospecting Licence EPL 5354

<p>Type of Licence</p>	<p>Exclusive Prospecting Licence</p>
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Number	EPL 5354
Holder	Bitterwasser Lithium Exploration (Proprietary) Limited
Minerals	Industrial Minerals
Status	Active
Commencement	4 June 2021
Expiry	3 June 2023
Region	Hardap
Registration Division	R
District	Mariental
Schedule of Supplementary Terms and Conditions to the EPL	<p>The Notice of Preparedness to Grant the renewal application for this exclusive prospecting licence, dated 4 June 2021 imposes certain terms and conditions on the EPL.</p> <p>The terms and conditions state <i>inter alia</i> that the holder of the mineral licence shall -</p> <p>“5. The holder of the exclusive</p>

prospecting licence shall –

5.1 commence with, and thereafter continue without undue interruption or delay, prospecting operations immediately in substantial conformity with the proposed work programme, schedule and budget which accompanied the original application for the licence and which served as motivation of the granting thereof;

[...]

5.3 execute such additional work programme and expend such additional expenditure within a specified period of time as may be imposed by the Minister from time to time.

5.4 make an oral representation to the Minister of Mines and Energy after the first year of the licence tenure.

5.5 ensure that, all funds raised anywhere and exclusively in respect of this licence shall be expended on the licence and all/any activities relating thereto and, to the extent such funds are to be expended directly in Namibia, the Licence Holder shall ensure such funds are remitted to a reputable financial institution in Namibia.

[...]

7. The holder of the exclusive prospecting licence shall observe any requirements, limitations or prohibitions on his or her prospecting operations as may in the interest of the environmental protection, be imposed by the Minister.

	<p>8. The holder of the Exclusive Prospecting Licence shall adhere to the Environmental Contract already entered into with the Ministry of Environment and Tourism and that of Mines and Energy during the previous tenure.”</p>
Annual Returns	<p>Annual Quarterly Reports have been submitted up until the first quarter of 2020, being 3rd May 2020 to 31st August 2020.</p> <p>The next annual licence fee is due on or before 3rd February 2022. In addition, the next annual licence fee will be N\$10,000.00 (ten thousand Namibia Dollars). As at 02nd March 2022, the outstanding annual fees amount to N\$ 10,900.00.</p>
Comments	<p>An environmental clearance certificate was issued for this EPL on 27 September 2021, being valid for a period of 3 (three) years and expiring on 27th September 2024. We therefore opine that the licence holder has duly complied with section 31 (1) of the <i>Environmental Management Act, 2007</i>. The environmental clearance certificate is still valid.</p>

4.14 We annex hereto copies of the relevant extracts from the Register of Mineral Licences, obtained as a stamped printout from the electronic registers of the Ministry of Mines and Energy on 11 October 2021, marked **Schedule 2**. We can further report the following:

4.14.1 Bitterwasser is duly reflected in the Register of Mineral Licences as sole (“100%”) holder of the Licences.

4.14.2 The Register of Mineral Licences currently records that there are outstanding annual licence fee payments, including penalties for said arrears, for the Licences between the years of 2015 – 2016 and 2018. We have been provided with the

necessary receipts which confirm that the respective payments have been made.

- 4.14.3 From our records consulted at the Ministry of Mines and Energy, Bitterwasser submitted its last quarterly report in August 2020.
- 4.14.4 We have been provided with the renewed environmental clearance certificates for the Licences, being –
- 4.14.4.1 EPL 5353, valid from the 31st September 2021 to 31st September 2024;
- 4.14.4.2 EPL 5354, valid from the 27th September 2021 to 27th September 2024;
- 4.14.4.3 EPL 5358, valid from the 13th September 2021 to 13th September 2024.
- 4.14.5 The Register of Mineral Licences records no encumbrances over any one of the aforesaid Licences.

Dated at Windhoek this 2 March 2022

ENSAfrica | Namibia

(incorporated as Lorentz Angula Inc.)



K Malherbe

Senior Associate

Schedule 1
Opinion Documents

The Mineral Licences

1. Exclusive Prospecting Licence 5353;
2. Exclusive Prospecting Licence 5354;
3. Exclusive Prospecting Licence 5358,

(jointly the “**Licences**”)

Annual Duty Receipts

4. Confirmation of payment of annual duties dated 21 August 2020;

Environmental Documentation

5. Exclusive Prospecting Licence 5353 – environmental clearance certificate;
6. Exclusive Prospecting Licence 5354 - environmental clearance certificate;
7. Exclusive Prospecting Licence 5358 - environmental clearance certificate,

Bitterwasser Agreements

8. Binding Term Sheet- LexRox Management Services (Proprietary) Limited Acquisition Agreement;
9. Addendum to binding Term Sheet- LexRox Management Services (Proprietary) Limited Acquisition Agreement;
10. Second Addendum to Binding Term Sheet - LexRox Management Services (Proprietary) Limited Acquisition Agreement;
11. Application for the transfer of exclusive prospecting licences 5353, 5354 and 5358 from Leon Van Neel to Bitterwasser Lithium Exploration (Proprietary) Limited;
12. Deed of Cession entered in to between LexRox Management Services (Proprietary) Limited and Brines Mining Exploration Namibia (Proprietary) Limited.

Bitterwasser Company Documentation:

13. Form CM 1- Certificate of Incorporation
14. Form CM 2- Memorandum and Articles of Association;
15. Form CM 22- Notice of Registered Office and Postal Address of Company;
16. Form CM 27- Consent to Act as a Director or Officer and Other Directorships;
17. Form CM 29- Contents of register of Directors, Auditors and Officers;
18. Form CM 31- Notice of, Consent to Appointment, Change of Name, or Resignation by auditor or Removal of Auditor;
19. Form CM 44- Articles of Association of a Company Having a Share Capital;
20. Form 44C- Signatories to Articles of Association;
21. Form CM 46- Application for Certificate to Commence Business;
22. Form CM47- Statement by Each Director Regarding Adequacy of capital of Company;
23. Leon Van Neel Share Certificate; and
24. Excel spreadsheet of Company Records.

Schedule 2
Excerpt from Register of Mineral Licences

Trimble.landfolio

License Contacts



Code	Type	Status	Application Date	Grant Date	Expiry Date	Commodities	Map References	Area	Parties	Communication Party	Contact Details			
											Postal Address	Physical Address	Telephone	Email Address
5353	EPL	Active	28 May 2013	04 February 2014	03 June 2023	IM	Namibia,Hardap,Mariental ; M	20,023.87 Hectares	Bitterwasser Litium Exploration (Pty) Ltd	Bitterwasser Litium Exploration (Pty) Ltd			2642756367	
5354	EPL	Active	28 May 2013	04 February 2014	03 June 2023	IM	Namibia,Hardap,Mariental ; M	19,341.53 Hectares	Bitterwasser Litium Exploration (Pty) Ltd	Bitterwasser Litium Exploration (Pty) Ltd			2642756367	
5358	EPL	Active	29 May 2013	04 February 2014	03 June 2023	IM	Namibia,Hardap,Mariental ; M, R	19,957.69 Hectares	Bitterwasser Litium Exploration (Pty) Ltd	Bitterwasser Litium Exploration (Pty) Ltd			2642756367	



Schedule 3
Company Status Report - Bitterwasser

BITTERWASSER LITHIUM EXPLORATION (PROPRIETARY) LIMITED			
particulars of company			
registration number	2019/0998		
incorporation date	04 September 2019		
year end	June (changed 2021/02/18)		
auditors	Mac and Associates Registered Accountants and Auditors (appointed 2019/09/4)		
registered address	Unit 5 Bohemian Office, Erf 7650 Friedrich Giese Street, Klein Windhoek, Windhoek, Namibia		
secretary	Ester Peneyambeko Hamukoto (appointed 2019/09/04)		
main purpose	exploration of mining of economic mineral substances in namibia		
income tax number		10464982	
authorised shares	4,000		
issued shares	300		
share capital	300		
share premium	0		
public officer	Lisias Pius (appointed 2019/09/4)		
extracts from articles			
	ommission article 57, deletion of provisions to article 61		
directors			
		appointed	resigned
	Lisias Pius	04/09/2019	
	Jurie Hendrik Wessels	04/09/2019	
	Philip Le Roux	04/09/2019	
	Leon van Neel	04/09/2019	02/11/2020
index of register of members			
	Leon van Neel	300	100.00%
		300	100.00%



**BUSINESS AND INTELLECTUAL
PROPERTY AUTHORITY**
Protecting Entrepreneurship and Investment

No: 00212

Business Name: BITTERWASSER LITHIUM EXPLORATION (PROPRIETARY) LIMITED

Registration Number: 2019/0998

CONFIRMATION OF REGISTRATION CERTIFICATE

It is hereby affirmed that

BITTERWASSER LITHIUM EXPLORATION (PROPRIETARY) LIMITED is in good standing with all annual duties payable in terms of the Close Corporation Act, 1988 (Act No.26 of 1988) / Companies Act, 2004 (Act No.28 of 2004). This certificate is valid for a period of 12 months, effective from 07/10/21 to 30/06/22, unless otherwise explicitly confirmed in writing.


REGISTRAR OF COMPANIES/CLOSE CORPORATIONS


Officer Handing Certificate

07/10/21

Date



00212

Schedule 5

Review of relevant transactional documentation

Document title:	Binding Term Sheet EPL 5353, EPL 5354 and EPL 5358 Acquisition
Type of agreement / document:	Term Sheet
Parties (full description-as provided in document):	Leon van Neel (“LvN”), a Namibian citizen, identity number: 79100910627 <i>and</i> LexRox Management Services (Pty) Ltd (“LEXROX”), a South African private company incorporated in terms of the laws of South Africa with registration number: 2018/024041/07.
Date of execution by last party	20 June 2019.
Governing law:	Namibian law
Brief summary of subject of agreement:	Document titled “Binding Term Sheet” provides for the terms upon which LEXROX is granted an option by LvN to hold 100% in the exclusive prospective licences: EPL 5353, 5354, and 5358 by means of a special purpose entity.
Commencement date/Effective date:	The Term Sheet provides that that Phase 1 (as defined) shall commence upon signature (1 February 2019).
Summary of salient terms:	<p>In summary, the respective phases comprise the following:</p> <p>Phase 1 Due Diligence: During this phase LEXROX will have the right to conduct a legal and technical due diligence. Phase 1 will endure for a period of 42 days from the date of signing the Term Sheet. Upon the successful completion hereof, a “Completion Notice” shall be issued.</p> <p>Phase 2 Case Study Concept: Upon despatch of a Commencement Notice following the completion of phase 1, phase 2 will commence. During phase 2 LEXROX will have the right to enter the land, conduct intrusive and non-intrusive exploration in accordance with the Environmental Impact Assessment granted in respect of the area as well as LEXROX’s work program. Phase 2 will endure for a period of 8 months following the issuance of the Completion Notice.</p> <p>Phase 3 Completion and Acquisition Phase: During this phase, LEXROX will have the right to enter the land and conduct further intrusive and non-intrusive exploration in accordance with the Environmental Impact Assessment and LEXROX’s work program. Phase 3 will endure for a period of 2 years.</p> <p><u>The Binding Term Sheet further contemplates the following “Options and Option Periods”</u></p>

	<p>a) LvN has agreed to grant LEXROX the exclusive right to:</p> <ul style="list-style-type: none"> i) Undertake legal and technical due diligence; ii) Conduct intrusive and non-intrusive exploration activities over the Licenses, and; iii) If it chooses, exercise the First Option and the Second Option (as defined) according to the terms described therein <p>b) The first option (First Option): LEXROX will, upon the issuance of the Commencement Notice and the commencement of Phase 2, hold the exclusive right to exercise the option at any time during Phase 2 to complete Acquisition 1 by issuing an exercise notice in writing (Exercise Note). Unless extended by LEXROX and LvN by written agreement.</p> <p>c) The second option (Second Option): LEXROX will, upon the termination of Phase 2, hold the exclusive right at any time during Phase 3 to exercise the option to complete Acquisition 2 by issuing an exercise notice in writing (Acquisition Notice). The Second Option period will commence on the date Acquisition 1 is completed and will, unless extended by LEXROX and LvN in written agreement end 2 (two) years thereafter or when an Acquisition Notice is exercised by LEXROX.</p>
<p>Conditions</p>	<p>The following conditions are observed:</p> <ul style="list-style-type: none"> a) Notwithstanding the signature date, the Term Sheet is conditional upon renewal of the licenses within the time period described. b) Termination of phase 1 and continuation of the terms of the Term Sheet are conditional upon the satisfaction (or waiver) of the following: <ul style="list-style-type: none"> (i) LEXROX being able to satisfactorily complete the due diligence on the licenses to LEXROX's satisfaction within 42 days, and (ii) Ministerial approval having been granted as contemplated in clause 6 of the Terms Sheet <p>Note: The condition described in the Term Sheet are for the benefit of LEXROX, which may be waived in full or in part at its sole discretion by written notice to LvN: Provided that if LEXROX continues with exploration during phase 1 and 2, such action will not be considered a waiver of the rights of LEXROX in so far as the Term Sheet requires fulfilments of Ministerial approval.</p> <p>The Term Sheet further provides that should the EPL's not be renewed or the said requirement of renewal not be waived within 275 days of signature date, LEXROX may, but is not obliged, to terminate the Term Sheet.</p>

Remuneration payable under the agreement/value of the agreement:	<p>The Term Sheet provides the following:</p> <ul style="list-style-type: none"> a) Sign-up fee: A sign-up fee of N\$ 70 000 (seventy thousand Namibia Dollars) b) Consideration 1: The consideration to be paid by LEXROX to LvN for the First Option is 1,000 000.00 (one million Namibia dollars) to be made at, or before completion. c) Consideration 2: The consideration to be paid by LEXROX to LvN for the Second Option is N\$ 9,000,000.00 (nine million Namibia dollars) to be made at, or before, Completion 2.
Confidentiality restrictions:	<p>The Term Sheet and all other information disclosed by the respective parties in connection with the acquisition (including the mining information, to the extent that it is not in the public domain) is confidential and each party is to ensure that the confidential information remains confidential.</p>
Restrictions on trade / business	<p>During the Option Periods (as defined) LvN must:</p> <ul style="list-style-type: none"> (i) Deal with LEXROX exclusively in relation to any sale, disposal or transfer of the Licenses or any interest in them; and (ii) Shall not solicit, encourage or enter into or continue any negotiations or discussions with any third party to sell (indirectly or otherwise), encumber or transfer any of the Licenses.
Exclusivity provisions:	<p>The option granted to LEXROX by LvN as provided in the Term Sheet is exclusive.</p>
Cession	<p>The rights and obligations contained in the Term Sheet may be ceded and assigned by LEXROX to any third party, subject to such party signing an accession agreement signifying that it binds itself to the terms contained in the Term Sheet.</p>
Unusual/onerous warranties	<p>The respective warranties are not considered unusual and/ or onerous.</p>
Unusual/onerous indemnities	<p>The respective indemnities are not considered unusual and/ or onerous.</p>
Limitation on liability	<ul style="list-style-type: none"> a) A parties' maximum liability to the other party in relation to the Term Sheet is 10 (ten) times the sign-up fee. b) Neither party will be liable to the other party in relation to the Term Sheet for any indirect consequential loss or any loss of profit, loss of revenue, loss of expected saving, loss of income, rent or holding costs, loss of expected production, opportunity costs, loss of business (including loss or reduction of goodwill or opportunity), and damage to reputation, whether actual, direct, in direct, anticipated or otherwise.
Concerns / recommendations:	<p>Clause 4 provides that Phase 1 "will endure for a period of 42 days from the date this agreement is signed during which time LEXROX will have the exclusive rights to continue to Phase 2 by issuing written notice..." Although it appears that the commencement of the Binding Term Sheet is imminent post signature (1 February 2019), clause 19(a) however provides that "This Terms Sheet will commence upon fulfilment of the suspensive condition (addressed in clause 11)." It is therefore, in our opinion, uncertain when the Binding Terms Sheet actually commences.</p>

	<p>The agreement was not stamped in terms of the <i>Stamp Duties Act, 1993</i>. In order for a document to be usable for any purpose in Namibia and admissible as evidence in the High Court of Namibia, it must be stamped in accordance with the provisions of the <i>Stamp Duties Act, 1993</i>. A document must be stamped on the day that it is executed or with 21 days thereafter. If Stamp duty is not paid within the aforementioned time frame, a penalty is payable for late stamping which is equal to:</p> <ul style="list-style-type: none"> a) twice the unpaid duty, if the instrument is stamped within six months after the date of execution of the instrument or the date on which it was first received in Namibia, as the case may be; or b) three times the unpaid duty if the instrument is stamped later than six months after the said date. <p>In terms of schedule 1 of the <i>Stamp Duties Act, 1993</i>, this agreement would be classified as an agreement or contract in respect of which no other duty is specifically provided and, as such, must be stamped with a N\$ 5.00 revenue stamp.</p>
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Document title:	Addendum to Binding Term Sheet EPL 5353, EPL 5354 and EPL 5358 Acquisition (" The Addendum ")
Type of agreement / document:	Addendum to Term Sheet
Parties (full description- as provided in document):	Leon van Neel (" LvN "), a Namibian citizen, identity number: 79100910627 <i>and</i> LexRox Management Services (Pty) Ltd (" LEXROX "), a South African private company incorporated in terms of the laws of South Africa with registration number: 2018/024041/07.
Date of execution by last party	20 June 2019
Governing law:	Namibian law
Brief summary of subject of agreement:	The Addendum provides for additional provisions and amendments to the document "Binding Term Sheet" concluded between LvN and LEXROX dated 1 February 2019. The Addendum provides that "other than the changes stated herein, other terms, interpretation clauses of definitions of the Binding Terms Sheet remains the same"
Commencement date/Effective date:	The effective / commencement date remains 1 February 2019. See however our previous comments in respect of commencement.
Summary of salient terms:	The Addendum provides for various amendments and additions to the salient provisions contained in the Binding Term Sheet. <u>The Addendum provides for the following changes to the respective Phases:</u>

- a) The Addendum records that Phase 1 conducted under the Binding Term Sheet is completed and that a Commencement Notice has been despatched by LEXROX. The Addendum however records that Phase 2 (Concept Study) has not commenced as various agreed conditions provided for in the Binding Term Sheet are yet to be fulfilled.
- b) Phase 3 will be renamed the “Clay Completion of Acquisition phase”
- c) A fourth phase is further included, which will commence concurrently with phase 3, and will terminate 2 (two) years after commencement. This phase is named the “Brines Exploration and Completion Phase” and will, regardless of the completion and termination of phase 2 to 3, continue as an independent phase to achieve a 100% acquisition of the respective EPL licences by LEXROX.

The Addendum provides for the following amendments in respect of “Options and Option Periods”

- a) The Addendum provides the following in respect of the third option (Third Option): LEXROX will, from the commencement of Phase 3 and for a period of 2 (two) years and provided that the Second Option has not been exercised by LEXROX, hold the exclusive right at any time to exercise the option to complete Acquisition 3 by issuing an exercise notice in writing (Brines Acquisition Notice): Provided that if Acquisition 2 occurs solely based on the clay potential of the Licences, LEXROX will not be required to exercise the Third Option (because it will own 100% of the licences) but will be liable to make payment of the Consideration 3 to LvN upon the successful completion of a Definitive Feasibility Study (Completed by LEXROX within a period of 2 (two) years from the date of completion of acquisition 2) for the production of not less 500, 000 tons of Lithium Carbonate Equivalent (“Successful Brines DFS”).

The Addendum provides the following in respect of “Acquisition”

Acquisition 3: If LEROX delivered a Brines Acquisition Notice to LvN (under circumstances where it has not delivered an Acquisition Notice (ie Option 2 has not been exercised and Acquisition 2 has not completed):

- a) LvN agrees to transfer, free of any encumbrances, all the licenses to LEXROX or its nominee;
- b) LvN agrees to sell and transfer with effect from Completion 3 and free of any encumbrances and for Consideration 3, all of his interests in the Licences (whether such interests are held through Newco or directly by LvN) and he will hold no further interest in Newco or the Licences thereafter; and
- c) LEXROX agrees to accept the transfer of the Licences or entire issued share equity in Newco, whichever is applicable, and pay Consideration 3,

all of which are subject to satisfaction or waiver of the Conditions.”

The following has been observed in the Addendum in respect of "Consideration"

- a) **Sign-up fee:** A signup fee of N\$ 90 000.00 (ninety thousand Namibia dollars) is payable to LvN by LEXROX within 5 (five) days of issue of a Commencement Notice (ie at commencement of Phase 2)
- b) **Consideration 1:** The consideration to be paid to LEXROX to LvN for the First Option is N\$ 1 000,000 (one million Namibia dollars to be made at or before Completion 1.
- c) **Consideration 2:** The consideration to be paid by LEXROX to LvN for the Second Option is N\$ 2, 000, 000 (two million Namibia dollars) to be made at, or before Completion 3.
- d) **Consideration 3:** The consideration to be paid by LEXROX to LvN for the Third Option is N\$ 7, 000, 000 (seven million Namibia dollars) to be paid at, or before, Completion 3.

The intention being that, if the Clay Completion Phase is successfully completed by LEXROX but a Definitive Feasibility Study is not successfully completed (as described in the proviso to clause 2), LEXROX will be liable for the payment of Consideration 1 and Consideration 2 only. The intension being further that if the Clay Completion phase is not successfully completed by LEXROX but Acquisition 3 (Brines) is completed, LEXROX will be liable for Consideration 1 and 3 only.

The Addendum records that Completion of Acquisition 3 will occur 5 (five) business days after delivery of the Brines Acquisition. Notice or such other date as the parties may agree in writing (Completion Date 3).

The Addendum provides the following in respect of "Completion":

- a) **Completion 3:** Completion of Acquisition 3 will occur on that date that is 5 (five) Business Days after delivery of the Brines Acquisition Notice or such other date as the Parties may agree in writing (Completion Date 3).

At, or prior, Completion 3:

- i) LEXROX must:
 - a) Make payment of Consideration 3; and
 - b) Take any other action reasonably required to give effect to the terms of the Term Sheet; and
- ii) LvN must, if Acquisition 1 occurred:
 - a) Deliver to LEXROX the original share certificate of his entire holding in Newco together with duly completed transfer forms and any other document that may be required to ensure that transfer of the entire issued share capital of Newco is effected to LEXROX;
OR, if Acquisition 1 has not occurred,

	<ul style="list-style-type: none"> a) Deliver to LEXROX confirmation by the Ministry of Mines and Energy that transfer of the Licenses has been effected to Newco; b) Deliver to LEXROX all of the documentation (including transfer and cession forms) that were used to effect transfer of Newco; and c) In either event (whether Acquisition 1 occurred or whether Option 3 is exercised independent of Acquisition 1 and the creation of Newco) take any other action already reasonably required to give effect to the terms of the Term Sheet.
Duration and Termination	<ul style="list-style-type: none"> a) The Term Sheet will terminate on the earlier of: <ul style="list-style-type: none"> i) The date the Phase 1 period ends and LEXROX has not given a Commencement Notice; ii) The date the Phase 2 period ends and LEXROX has not issued the Exercise Note; iii) The date the Phase 3 period ends and LEXROX has issued the Acquisition Notice of the Brines Acquisition Notice; iv) The date LEXROX has issued the Acquisition Notice, Completion 2 is concluded and a successful DFS has not been completed within a period of 2 years from the date of completion of Acquisition 2; v) The date LEXROX withdraws from funding further exploration during Phase 3 of Phase 4 period, after which termination LEXROX will hold a dilutable interest of 25% in Newco; vi) Lawful termination by LvN pursuant to LEXROX failing to fund exploration activities over the Licences which is required to keep the licenses in good standing, or; vii) Lawful termination by LEXROX pursuant to the Licenses not being capable of transfer or lawful exploration.
Concerns recommendations:	None.

Document title:	Second Addendum to Binding Term Sheet EPL 5353, EPL 5354 and EPL 5358 Acquisition (" Second Addendum ")
Type of agreement / document:	Addendum to Term Sheet
Parties (full description-as provided in document):	Leon van Neel (" LvN "), a Namibian citizen, identity number: 79100910627 <i>and</i> LexRox Management Services (Pty) Ltd (" LEXROX "), a South African private company incorporated in terms of the laws of South Africa with registration number: 2018/024041/07.

Date of execution by last party	12 August 2020.
Governing law:	Namibian law
Brief summary of subject of agreement:	<p>The Second Addendum sets out additional terms to the agreement concluded between LEXROX and LvN dated 1 February 2019 and the First Addendum dated 20 June 2019.</p> <p>The Second Addendum provides “other than the changes states herein, other terms, interpretation clauses of definitions of the Binding Term Sheet remains the same.”</p>
Commencement date/Effective date:	The effective / commencement date remains 1 February 2019. Please see our previous comments regarding commencement.
Summary of salient terms (as amended):	<p>The Second Addendum provides for the following addition and amendments:</p> <p><u>Phases:</u> At the instance of a request by LvN for cash payment, it is agreed that Phase 2 will endure for 14 (fourteen) months (ie an additional 6 (six) months) and that in consideration LEXROX will pay LvN an amount of N\$ 25, 000.00 (twenty five thousand Namibia dollars).</p> <p><u>Suspension of periods:</u> It is agreed in the Second Addendum that the effluxion of time and periods limits in terms of this agreement has been suspended on 15 July 2020 due to Covin-19 flu pandemic. The suspension will be applicable for the period calculated from 31st March 2020 up to the time that LEXROX is able to fully conduct its business operation through the opening of the border to allow consultants to enter Namibia.</p>
Concerns recommendations: /	None.

Document title:	Deed of Cession
Type of agreement / document:	Deed of Cession
Parties (full description- as provided in document):	<p>LexRox Management Services (Pty) Ltd (Cedent)</p> <p>And</p> <p>Brines Mining Exploration Namibia (Pty) Ltd (Cessionary)</p>

Date of execution by last party	24 August 2021
Governing law:	Namibian Law
Brief summary of the salient terms of the Agreement:	<p>The Deed of Cession provides the following:</p> <ul style="list-style-type: none"> a) "The Cedent entered into an acquisition agreement dated 1 February 2019, as amended by addendum on 20 June 2019 and by a further addendum on 12 August 2020 (all of which is defined as the Acquisition Agreement). b) In terms of the agreement the Cedent cedes, assigns, transfers and makes over to the Cessionary, its right, title and to any rights and obligations incumbent upon the Cessionary in terms of the Acquisition Agreement. c) The Cedent confirms that it does not hold any proprietary rights to the License or personal rights in relation to the Acquisition Agreement. d) The Cedent confirms that it does not hold any proprietary rights to the License or personal rights in relation to the Acquisition Agreement. e) The Cedent agrees to conclude an Accession Deed in terms of which the Cedent agrees to be bound to the terms of the Acquisition Agreement. f) The parties to the agreement agree that no consideration is to be paid by the Cessionary to the Cedent."
Concerns:	<p>Document is unsigned by Cedent and Cessionary.</p> <p>The agreement was not stamped in terms of the <i>Stamp Duties Act, 1993</i>. In order for a document to be usable for any purpose in Namibia and admissible as evidence in the High Court of Namibia, it must be stamped in accordance with the provisions of the <i>Stamp Duties Act 1993</i>. A document must be stamped on the day that it is executed or with 21 days thereafter. If Stamp duty is not paid within the aforementioned time frame, a penalty is payable for late stamping which is equal to:</p> <ul style="list-style-type: none"> a) twice the unpaid duty, if the instrument is stamped within six months after the date of execution of the instrument or the date on which it was first received in Namibia, as the case may be; or b) three times the unpaid duty if the instrument is stamped later than six months after the said date. <p>In terms of schedule 1 of the <i>Stamp Duties Act, 1993</i>, this agreement would be classified as an agreement or contract in respect of which no other duty is</p>

	<p>specifically provided and, as such, must be stamped with a N\$ 5.00 revenue stamp.</p> <p>Accession Deed to be provided.</p>
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Document title:	Application for Transfer of Exclusive Prospecting Licences 5353, 5354 and 5358
Type of agreement / document:	Ministry of Mines and Energy's response to application for Transfer of Prospecting Licenses
Governing law:	Namibian law
Brief summary of subject of agreement:	The document records the approval of the transfer of Exclusive Prospecting Licences 5353, 5354 from Leon van Neel to Bitterwasser Lithium Exploration (Pty) Ltd.
Commencement date/Effective date:	18 November 2019.
Concerns recommendations: /	None.

Voting Instruction Form

If you are attending the meeting
in person, please bring this with you
for Securityholder registration.

Holder Number:

Your CDI Voting Instruction Form must be received by **2.00pm (WST) on Sunday, 3 April 2022**, being **not later than 48 hours** before the commencement of the Meeting. Any CDI Voting Instruction instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR VOTING INSTRUCTION ONLINE

Vote online at <https://investor.automic.com.au/#/loginsah>

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



SUBMIT YOUR VOTING INSTRUCTION BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's security register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Securityholders sponsored by a broker should advise their broker of any changes.

HOW TO VOTE ON ITEMS OF BUSINESS

Each CHESS Depository Interest (CDI) is equivalent to one share of Company Common Stock, so that every 1 (one) CDI registered in your name entitles you to one vote.

You can vote by completing, signing and returning your CDI Voting Instruction Form. This form gives your voting instructions to CHESS Depository Nominees Pty Ltd, which will vote the underlying shares on your behalf. You need to return the form no later than the time and date shown above to give CHESS Depository Nominees Pty Ltd enough time to tabulate all CHESS Depository Interest votes and to vote on the underlying shares.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct CHESS Depository Nominees Pty Ltd how to vote by marking one of the boxes opposite each item of business. All your CDI's will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of CDI's you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the CDI holder must sign.

Joint holding: Where the holding is in more than one name, all CDI holder's should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Voting Instruction Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Voting Instruction Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Contact	Return your completed form			All enquiries to Automic		
	BY MAIL Automic GPO Box 5193 Sydney NSW 2001	IN PERSON Automic Level 5, 126 Phillip Street Sydney NSW 2000	BY EMAIL meetings@automicgroup.com.au BY FACSIMILE +61 2 8583 3040	PHONE 1300 288 664 (Within Australia) +61 2 9698 5414 (Overseas)		

STEP 1: Voting Instruction	Complete and return this form as instructed only if you do not vote online
	<p>Voting Instructions to CHESSE Depository Nominees Pty Ltd</p> <p>I/We being a holder of CHESSE Depository Interests of Arcadia Minerals Limited hereby direct CHESSE Depository Nominees Pty Ltd to vote the shares underlying my/our holding at the General Meeting of Arcadia Minerals Limited to be held at 2.00pm (WST) on Tuesday, 5 April 2022 at 108 Outram Street, West Perth, Western Australia, 6005 and at any adjournment or postponement of that meeting.</p> <p>By execution of this CDI Voting Instruction Form the undersigned hereby authorises CHESSE Depository Nominees Pty Ltd to appoint such proxies or their substitutes to vote in their discretion on such business as may properly come before the meeting.</p> <p>CHESSE Depository Nominees Pty Ltd will vote as directed. You must select either "For", "Against" or "Abstain" for your vote to count.</p>

STEP 2: Your Voting Direction	Resolutions	For	Against	Abstain
	1. Receive and consider the annual financial statements, the directors' report and the report of the independent auditors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	2. Appointment of RSM Australia partners as independent auditors until the next annual general meeting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	3. Approve the audit fee of \$25,000 for the year ended 30 June 2021	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	4. Re-election of director Michael Davy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	5. Re-election of director Andrew Law	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	6. Re-election of director Johan Le Roux	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	7. Approval of 7.1A mandate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8. Change to nature and scale of activities – proposed acquisition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<p><i>Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.</i></p>			

STEP 3: Sign Here + Contact Details	SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED		
	Individual or Securityholder 1	Securityholder 2	Securityholder 3
	<input style="width: 100%; height: 30px;" type="text"/>	<input style="width: 100%; height: 30px;" type="text"/>	<input style="width: 100%; height: 30px;" type="text"/>
	Sole Director and Sole Company Secretary	Director	Director / Company Secretary
	Contact Name:		
	<input style="width: 100%; height: 20px;" type="text"/>		
Email Address:			
<input style="width: 100%; height: 20px;" type="text"/>			
Contact Daytime Telephone			
<input style="width: 100%; height: 20px;" type="text"/>			
Date (DD/MM/YY)			
<input style="width: 30%; height: 20px;" type="text"/> / <input style="width: 30%; height: 20px;" type="text"/> / <input style="width: 30%; height: 20px;" type="text"/>			
<p>By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).</p>			