ASX ANNOUNCEMENT **19th December 2022**

Scorpion Expands Lithium Footprint with Major New WA Project Acquisition

- **Binding option to acquire the Youanmi Lithium Project**
- **Youanmi Project covers northern part of a 20km long lithium corridor**
- **Combined project area of 279km² - E57/978, E57/1049 and E57/1056**
- **Shallow east dipping LCT pegmatites have been mapped along 3km of strike and remain open both along and across strike in parallel zones**
- **Historic shallow RC drilling targeted significant rock chip results (max. 4.22% Li_2O) in LCT pegmatite outcrop including:**
    - ***8m @ 1.39% Li_2O from 8m***
    - ***6m @ 1.61% Li_2O from 22m***
    - ***7m @ 1.42% Li_2O from 20m***
    - ***7m @ 1.38% Li_2O from 0m***
    - ***6m @ 1.64% Li_2O from 11m***
    - ***6m @ 1.35% Li_2O from 62m***
- **Statutory approvals in place for immediate RC drilling of existing targets)**
- **Tenements also prospective for PGE-Ni-Cu and Vanadium**
- **Consideration includes an option fee of $50,000 cash, 5,000,000 shares and tenement expense reimbursement of $29,894.68.**
- **The option can be exercised within 2 years for $3,500,000 and a royalty of $1/tonne**
- **Scorpion must complete 5000m of drilling during first year of the option**
- **Significant near-term exploration activity planned including geological mapping, soil geochemistry, RC/Diamond drilling of lithium targets, XRD mineral analysis, airborne and/or ground EM surveys**

Scorpion Minerals Limited (ASX:SCN) (**Scorpion**, **SCN** or **the Company**) is pleased to advise that it has entered into a binding Option Agreement (**Agreement**)to acquire a 100% interest in the Youanmi Lithium Project (**Youanmi**) in Western Australia.

The highly prospective Youanmi Project comprises E57/978, E57/1049 and E57/1056 (the **Tenements**) and covers an area of 279km² located 450km northeast of Perth in the East Murchison Mineral Field (Figure 1).

Initial field reconnaissance work competed by Scorpion has confirmed extensive LCT pegmatite swarms at Youanmi (Figures 2 & 3).

Individual pegmatites are up to 1000m long and surface exposures suggest widths from 5m to 15m wide. The pegmatites are shallow east dipping and exhibit mineral zonation both of which are important characteristics of significant LCT systems.

SCORPION MINERALS LIMITED

ABN 40 115 535 030
24 Mumford Place
Balcatta WA 6021

T: +61 8 6241 1877
F: +61 8 6241 1811

www.scorpionminerals.com.au

Company Comment – Executive Chairman Bronwyn Barnes

"We are very excited to have concluded this binding option agreement to acquire the Youanmi Lithium Project in an area that is proven to be highly prospective for lithium mineralisation yet remains relatively underexplored. With all required approvals in place and drilling programme to commence in early Q1 2023, this is a highly strategic and cost-effective pathway to build upon Scorpion's already robust lithium footprint in WA. We look forward to providing shareholders with further updates on this exciting opportunity as the commencement of drilling approaches."

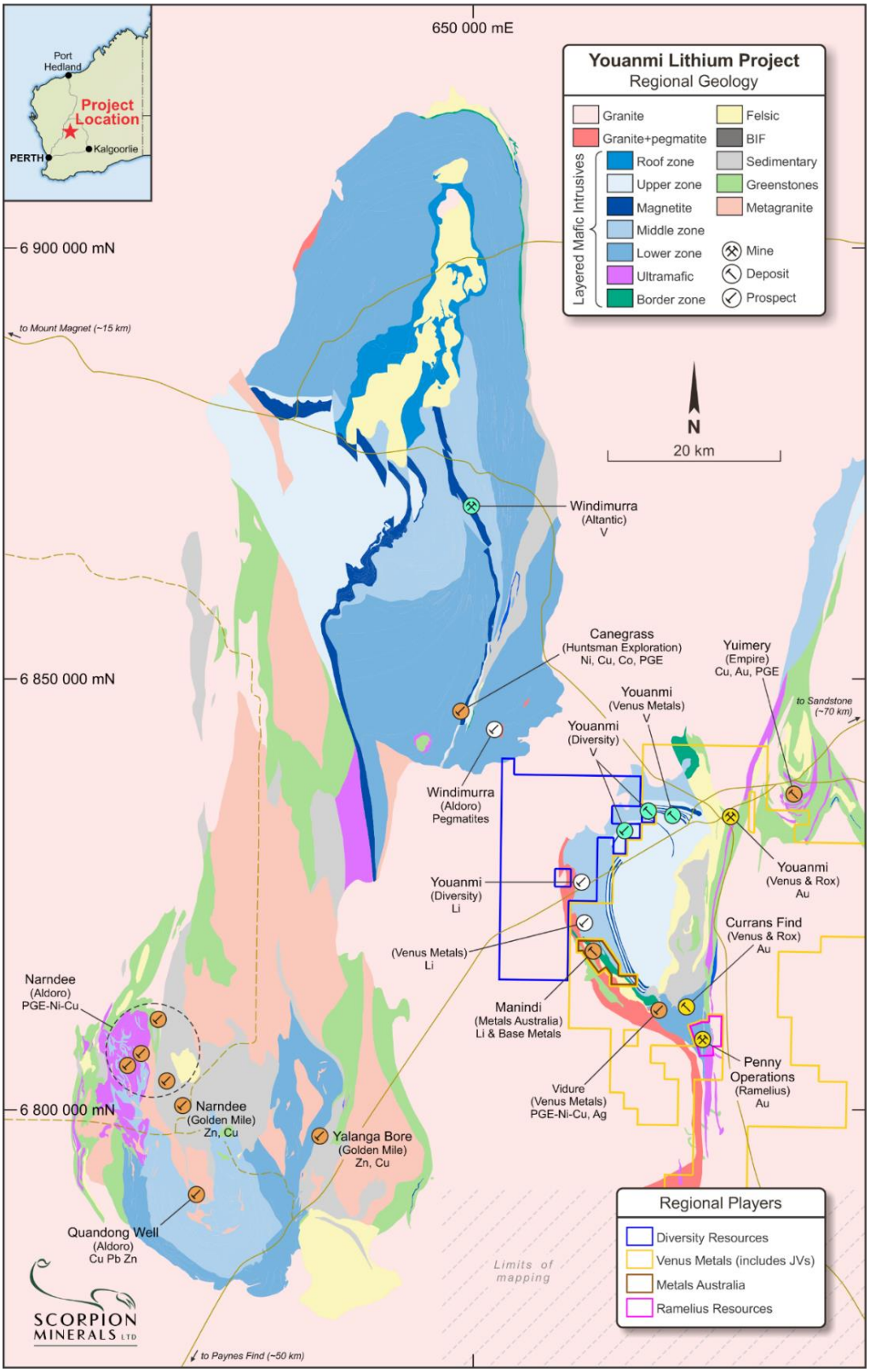

Figure 1: Regional Location of Youanmi Lithium Project and Competitor Activity

Youanmi Lithium Project - Historic Exploration Summary

Following the initial project assessment and a detailed technical review by Scorpion's lithium technical advisor, Youanmi presented as an opportunity to actively participate in a region of growing significance for lithium mineralisation in WA. Youanmi sits at the northern end of a 20km long corridor of Lithium, Caesium, Tantalum ("LCT") pegmatite intrusions that have delivered significant results for other explorers at the southern end of the trend (Figures 1 and 2).

Limited historic exploration at Youanmi includes:

- Geological mapping
- Rock chip sampling (Table 3)
- Airborne magnetic surveys
- Reverse Circulation (RC) drilling (Figures 3 and 4, Table 2)

Geological mapping has identified a 3km long zone of intermittent outcropping LCT pegmatites located about 1km east of a contact between a late stage granite and the Youanmi Layered Mafic Complex. The late stage granite exhibits course grained textures and enrichment in elements such as fluorine suggesting that it is the source of the LCT pegmatites to the east. This relationship appears to hold regionally as LCT pegmatite swarms have been discovered are on the west side of the late granite within the Windimurra complex by Aldoro Resources.

Rock chip sampling was completed in two phases within the zone described above and identified significant lithium mineralisation at Youanmi. A total of 24 rock chip samples were taken with 18 samples returning values ranging from 0.58 to 4.22% Li_2O. Preliminary evaluation of airborne photography indicates there are zones of outcrop north of this zone that warrants follow up mapping and sampling.

RC drill testing at Youanmi consisted of 54 holes (19MYRC005 to 19MYRC058) drilled in wide spaced fences along the 3km long zone with the majority drilled in the southern half of the trend. Numerous significant results were intercepted (downhole intercepts approximate true thickness, Table 2) including:

- 8m @ 1.39% Li2O from 8m
- 6m @ 1.61% Li2O from 22m
- 7m @ 1.42% Li2O from 20m
- 7m @ 1.38% Li2O from 0m
- 6m @ 1.64% Li2O from 11m
- 6m @ 1.35% Li2O from 62m

Mapping and RC drill has so far has confirmed multiple LCT that are oriented sub parallel to the granite contact and are shallow dipping to the east or oriented east-west of unknown dip requiring further detailed investigation. It is important to note that exploration by other explorers to the south has identified significant LCT mineralisation in east-west oriented pegmatites. Shallow dipping pegmatite orientation is a characteristic of significant LCT pegmatite systems.

Exploration at Youanmi and in the region has confirmed the presence of lepidolite, petalite and possible spodumene suggesting the presence of zonation within the LCT pegmatites either across their width and/or along strike. Future exploration will focus on determining the zonation trend in order to identify high priority targets.

In addition, the tenements are prospective for PGE-Ni-Cu, Base Metal (Zn-Cu-Ag-Au) and Vanadium mineralisation hosted by either the Youanmi Layered Mafic Complex or the adjacent greenstone sequence (Figure 1). South of Youanmi lies Metal Australia's Manindi project (PGE-Ni Cu and Base Metals) and Venus Metal's Vidure prospect (BGE-Ni-Cu).

The northern part of Youanmi contains the western extension of the sequence that hosts Venus Metal's Youanmi Vanadium deposit. Further evaluation of the potential for Vanadium, PGE-Ni-Cu and Base Metal mineralisation will be undertaken simultaneously with lithium exploration.

Key Terms of the Agreement

Subject to satisfaction or waiver of the Conditions Precedent (as defined below), in consideration for the option to purchase within 2 years a 100% interest in the tenements (as outlined above), Scorpion will:

i. on execution of the option agreement, pay $50,000 in cash, issue 5,000,000 fully paid ordinary shares and reimburse tenement expenses paid in advance of $29,894.68; and

ii. upon exercise of the option and acquisition of the tenements:

   (A) pay an acquisition payment of $3,500,000; and

   (B) grant a royalty of $1/tonne of ore mined and processed or removed from the Tenements.

In addition, Scorpion must complete a minimum of 5000m of drilling during the first year of the option.

Conditions Precedent

Settlement under the agreement is subject to the following conditions precedent being satisfied (or waived by SCN) prior to exercise of the option:

a. completion due diligence by SCN on the Tenements to the reasonable satisfaction of SCN;

b. there being no breach of the warranties provided by either party under the agreement;

c. the parties obtaining all necessary regulatory and shareholder approvals pursuant to the ASX Listing Rules, the *Corporations Act 2001* (Cth) and their constituent documents for settlement of the acquisition (if any);

d. the Purchaser receiving confirmation from ASX that ASX Listing Rules 11.1.2 and 11.1.3 does not apply to the Acquisition and if Listing Rule 11.1.2 does apply, the Purchaser obtaining shareholder approval to the Acquisition; and

e. the Parties obtaining all other necessary third-party consents and approvals (including any necessary ministerial consents or approvals) to lawfully complete the matters set out in the agreement.

The vendor of the Tenements is a private exploration company unrelated to Scorpion.

Next Steps

Scorpion plans to undertake the following work programmes in Q1 2023 and regular updates on progress will be provided:

- RC drilling of existing targets down dip and across strike to identify parallel pegmatites
- Follow up geological mapping and rock chip sampling (underway)
- High resolution Airborne photography if required
- Auger soil geochemistry aimed at identifying additional pegmatites under shallow soil cover
- Initial Diamond drill testing of existing targets at depth
- Airborne and/or Ground EM surveys

This announcement has been authorised by the board of directors of the Company.

-ENDS-

Enquiries

For more information, please contact:

Ms Bronwyn Barnes
Executive Chairman
T +61 (0) 417 093 256
info@scorpionminerals.com.au

Sam Burns
Six Degrees Investor Relations
T +61 (0) 400 164 067

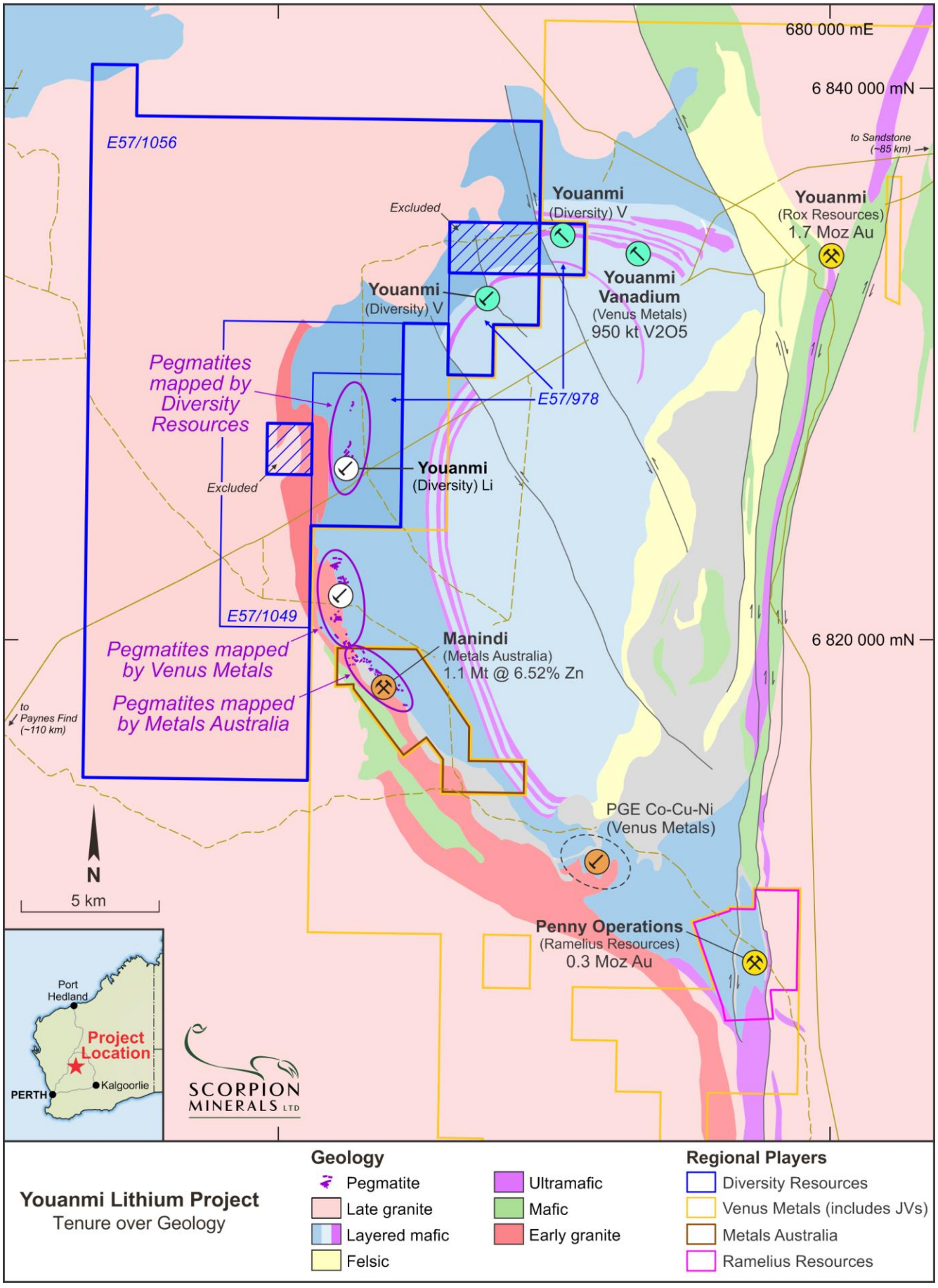

Figure 2: Plan Showing Tenements over Simplified Geology and Adjacent Explorers

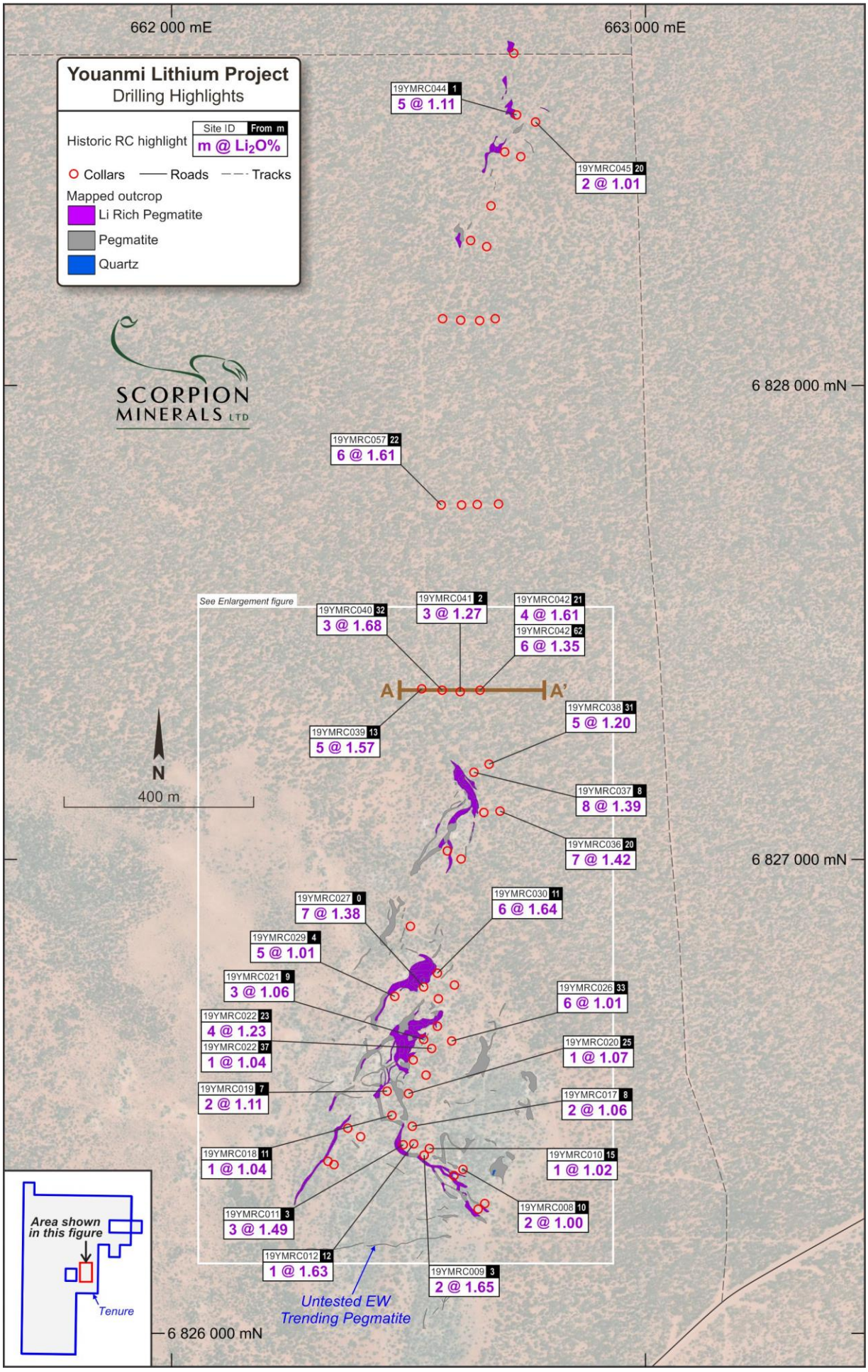

Figure 3: Plan Showing Mapped Pegmatite Outcrop and Significant RC Drilling Intercepts

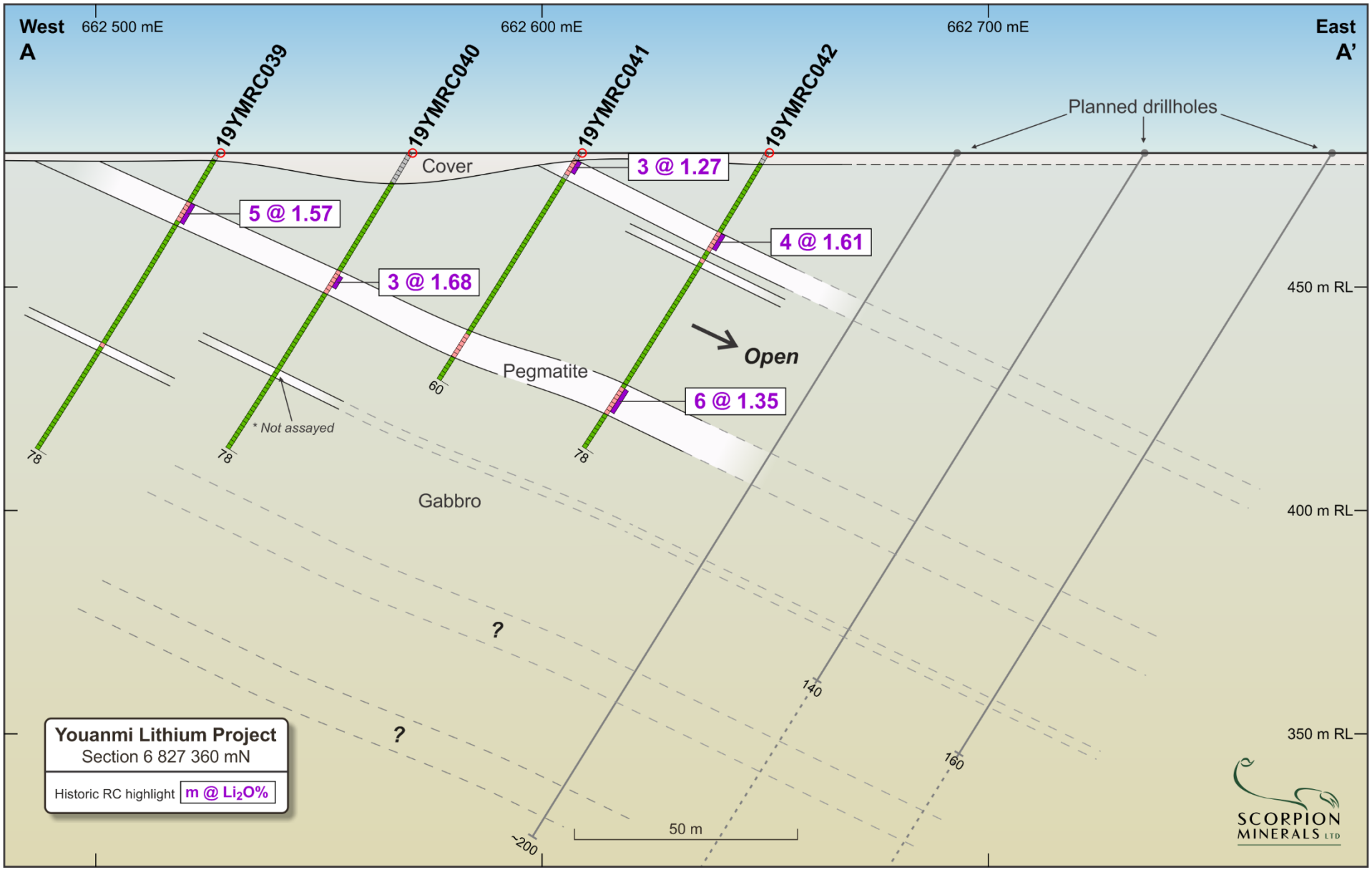

Figure 4: Cross Section A-A' Showing significant Li_2O Drilling Results in Shallow East Dipping Stacked Pegmatites

About Scorpion Minerals Limited

Scorpion Metals Limited (ASX:SCN) are an Australian mineral exploration and resource development company with a focus on creating wealth for shareholders through the discovery of world-class deposits, over a diversified range of minerals. Our current efforts are centred on our Pharos Project, located in the Murchison Province of Western Australia.

The Pharos Project

The Pharos Project consists of 1,544 square kilometres of granted tenure, located northwest of the small mining town of Cue (approximately 50 km) in the Murchison Mineral Field. The project is easily accessible from the Great Northern Highway by the sealed Jack Hills Mine access road and then by unsealed tracks. Scorpion holds a 100% interest in the project.

The project is prospective for lithium, PGE-Ni-Cu, gold, iron ore, and VMS hosted Cu-Zn-Ag Au mineralisation, and contains the Mt Mulcahy deposit. The 'South Limb Pod' zone of mineralisation at Mt Mulcahy contains a JORC 2012 Measured, Indicated and Inferred Resource of 647,000 tonnes @ 2.4% copper, 1.8% zinc, 0.1% cobalt and 20g/t Ag.

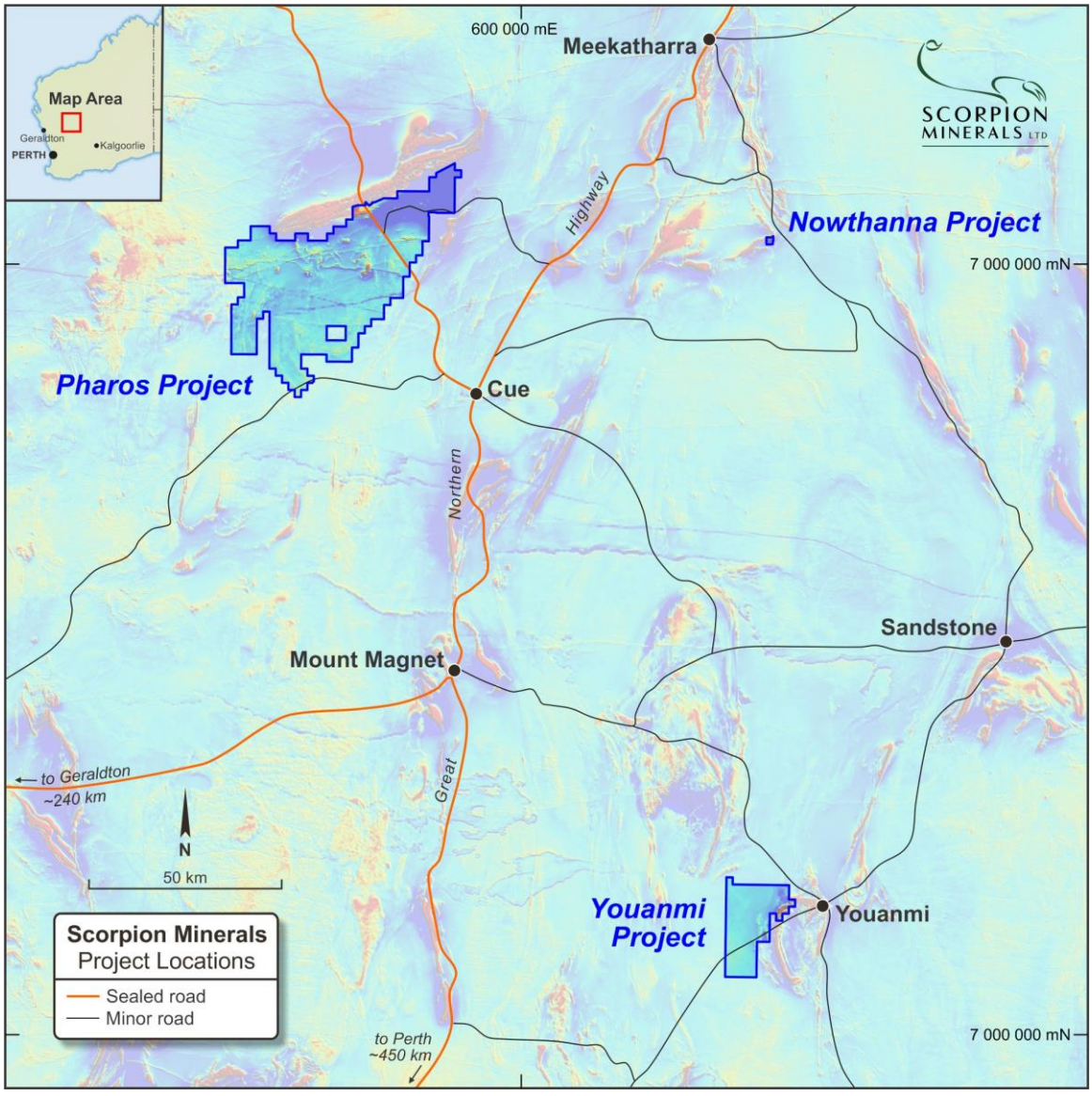

Figure 5: Location of Scorpion Minerals Youanmi, Pharos and Nowthanna Projects

Table 1: Current Mineral Resource Estimate, Mt Mulcahy Project

(refer ASX release 25/9/2014 "*Maiden Copper - Zinc Resource at Mt Mulcahy*", which also contains a list of significant drill intersections for the deposit, listed within that report at Table 2)

Mt Mulcahy South Limb Pod Mineral Resource Estimate											
Resource Category	Grade						Contained Metal				
	Tonnes	Cu (%)	Zn (%)	Co (%)	Ag (g/t)	Au (g/t)	Cu (t)	Zn (t)	Co (t)	Ag (oz)	Au (oz)
Measured	**193,000**	3.0	2.3	0.1	25	0.3	5,800	4,400	220	157,000	2,000
Indicated	**372,000**	2.2	1.7	0.1	19	0.2	8,200	6,300	330	223,000	2,000
Inferred	**82,000**	1.5	1.3	0.1	13	0.2	1,200	1,100	60	35,000	
TOTAL	**647,000**	**2.4**	**1.8**	**0.1**	**20**	**0.2**	**15,200**	**11,800**	**610**	**415,000**	**4,000**

Competent Persons Statement 1

The information in this report that relates to the Exploration Results and Mineral Resources at the Mt Mulcahy and Pharos Projects is based on information reviewed by Mr Michael Fotios, whom is a member of the Australian Institute of Mining and Metallurgy. Mr Fotios is a consultant to Scorpion Minerals Limited and has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activity he is undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012)'. Mr Fotiosl consents to the inclusion of the information in the form and context in which it appears.

Competent Persons Statement 2

The information in this report that relates to the Mt Mulcahy Mineral Resource is based on information originally compiled by Mr Rob Spiers, an independent consultant to Scorpion Minerals Limited and a then full-time employee and Director of H&S Consultants Pty Ltd (formerly Hellman & Schofield Pty Ltd), and reviewed by Mr Hall. This information was originally issued in the Company's ASX announcement "Maiden Copper-Zinc Resource at Mt Mulcahy", released to the ASX on 25th September 2014. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The company confirms that the form and context in which the findings are presented have not materially modified from the original market announcements.

Forward Looking Statements

Scorpion Minerals Limited has prepared this announcement based on information available to it. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this announcement. To the maximum extent permitted by law, none of Scorpion Minerals Limited, its Directors, employees or agents, advisers, nor any other person accepts any liability, including, without limitation, any liability arising from fault or negligence on the part of any of them or any other person, for any loss arising from the use of this announcement or its contents or otherwise arising in connection with it. This announcement is not an offer, invitation, solicitation or other recommendation with respect to the subscription for, purchase or sale of any security, and neither this announcement nor anything in it shall form the basis of any contract or commitment whatsoever. This announcement may contain forward looking statements that are subject to risk factors associated with exploration, mining and production businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimations, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory changes, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimate.

Table 2: Significant Li_2O % RC Drilling Results

Hole ID	MGA East	MGA North	RL	Dip	Azimuth	Depth	From	To	Length	Li_2O %	Ta_2O_5 ppm	Rb %	Cs_2O ppm	Cut-off Li_2O %
19YMRC005	662647	6826262	488	-60	220	30	NSI							
19YMRC006	662661	6826274	485	-60	220	30	NSI							
19YMRC007	662596	6826333	490	-60	220	48	2	3	1	0.94	70.8	0.32	180.2	0.50
							15	16	1	0.64	97.7	0.25	268.2	0.50
19YMRC008	662615	6826346	487	-60	220	30	10	12	**2**	**1.00**	130.7	0.33	252.3	1.00
19YMRC009	662533	6826376	489	-60	230	30	3	5	**2**	**1.65**	163.6	0.50	223.7	1.00
19YMRC010	662544	6826390	489	-60	230	24	15	16	**1**	**1.02**	85.5	0.36	130.4	1.00
19YMRC011	662489	6826398	494	-60	255	18	3	6	**3**	**1.49**	144.1	0.44	190.8	1.00
19YMRC012	662511	6826400	490	-60	255	24	12	13	**1**	**1.63**	124.6	0.54	185.5	1.00
19YMRC013	662330	6826363	487	-60	300	60	NSI							
19YMRC014	662343	6826356	491	-60	300	30	NSI							
19YMRC015	662372	6826433	490	-60	300	24	NSI							
19YMRC016	662399	6826415	486	-60	300	30	NSI							
19YMRC017	662508	6826437	492	-60	255	24	8	10	**2**	**1.06**	105.0	0.39	177.1	1.00
19YMRC018	662465	6826460	485	-60	270	24	11	12	**1**	**1.04**	57.4	0.42	139.9	1.00
19YMRC019	662455	6826511	490	-60	270	60	7	9	**2**	**1.11**	157.5	0.42	165.4	1.00
19YMRC020	662500	6826506	495	-60	270	36	25	26	**1**	**1.07**	109.9	0.43	136.8	1.00
19YMRC021	662532	6826620	485	-60	315	90	5	6	1	0.50	79.4	0.21	29.7	0.50
							9	12	**3**	**1.06**	57.4	0.29	120.9	1.00
19YMRC022	662549	6826601	486	-90	0	60	23	27	**4**	**1.23**	101.4	0.36	103.9	1.00
							37	38	**1**	**1.04**	74.5	0.43	153.7	1.00
19YMRC023	662510	6826577	494	-60	315	72	NSI							
19YMRC024	662537	6826545	482	-90	360	54	NSI							
19YMRC025	662561	6826648	485	-60	315	36	1	4	3	0.71	91.6	0.26	102.8	0.50
19YMRC026	662591	6826617	483	-90	360	48	33	39	**6**	**1.01**	81.8	0.29	99.7	1.00
19YMRC027	662532	6826731	487	-60	315	36	0	7	**7**	**1.38**	90.4	0.28	96.5	1.00
19YMRC028	662563	6826706	488	-90	360	48	NSI							
19YMRC029	662471	6826711	481	-60	315	24	4	9	**5**	**1.01**	138.0	0.36	139.9	1.00
19YMRC030	662561	6826760	487	-60	315	36	6	9	3	0.57	54.9	0.16	35.0	0.50
							11	17	**6**	**1.64**	78.2	0.28	128.3	1.00
19YMRC031	662597	6826735	486	-90	360	48	NSI							
19YMRC032	662504	6826859	486	-60	290	30	NSI							

Hole ID	MGA East	MGA North	RL	Dip	Azimuth	Depth	From	To	Length	Li_2O %	Ta_2O_5 ppm	Rb %	Cs_2O ppm	Cut-off Li_2O %
19YMRC033	662582	6827018	481	-60	300	36	NSI							
19YMRC034	662611	6827001	487	-90	360	42	NSI							
19YMRC035	662659	6827099	487	-60	270	60	20	21	1	0.72	41.5	0.76	454.8	0.50
19YMRC036	662693	6827102	487	-90	360	48	20	27	**7**	**1.42**	107.5	0.31	98.6	1.00
19YMRC037	662638	6827184	489	-60	240	30	8	16	**8**	**1.39**	142.9	0.25	85.9	1.00
19YMRC038	662670	6827201	491	-90	360	43	25	26	1	0.91	162.4	0.34	98.6	0.50
							31	36	**5**	**1.20**	131.9	0.36	102.8	1.00
19YMRC039	662528	6827360	487	-60	270	78	13	18	**5**	**1.57**	102.6	0.29	91.2	1.00
19YMRC040	662571	6827357	486	-60	270	78	32	35	**3**	**1.68**	116.0	0.28	63.6	1.00
19YMRC041	662609	6827354	494	-60	270	60	2	5	**3**	**1.27**	107.5	0.29	96.5	1.00
19YMRC042	662651	6827357	489	-60	270	78	21	25	**4**	**1.61**	140.4	0.35	126.2	1.00
							62	68	**6**	**1.35**	147.8	0.27	63.6	1.00
19YMRC043	662722	6828701	486	-60	270	36	NSI							
19YMRC044	662728	6828571	497	-60	290	42	1	6	**5**	**1.11**	144.1	0.21	249.1	1.00
19YMRC045	662768	6828556	497	-90	360	36	13	14	1	0.77	280.9	0.28	359.4	0.50
							17	18	1	0.60	81.8	0.20	206.7	0.50
							20	22	**2**	**1.01**	87.9	0.33	99.7	1.00
19YMRC046	662703	6828493	486	-60	290	30	NSI							
19YMRC047	662737	6828483	491	-90	360	42	NSI							
19YMRC048	662674	6828379	488	-60	290	42	NSI							
19YMRC049	662631	6828306	488	-60	290	30	NSI							
19YMRC050	662665	6828293	487	-90	360	30	NSI							
19YMRC051	662572	6828141	495	-60	270	78	NSI							
19YMRC052	662610	6828138	487	-60	270	48	NSI							
19YMRC053	662650	6828137	485	-60	270	78	NSI							
19YMRC054	662683	6828141	503	-60	270	36	NSI							
19YMRC055	662569	6827748	491	-60	270	78	60	61	1	0.57	89.1	0.36	270.4	0.50
19YMRC056	662645	6827749	493	-60	270	78	NSI							
19YMRC057	662612	6827748	493	-60	270	42	22	28	**6**	**1.61**	52.5	0.22	57.3	1.00
19YMRC058	662690	6827750	492	-60	270	72	15	17	2	0.57	142.9	0.17	28.6	0.50

RC Drilling Notes
Samples analysed by Nagrom method ICP005, peroxide fusion digestion and ICP-MS and ICP-OES
Collar locations by GPS, accuracy +/- 5m. Missing sequential holes 19YMRC001 to 004 do not pertain to this prospect

Table 3: Rock Chips

Sample ID	MGA East	MGA North	Be ppm	Cs ppm	Li ppm	Li2O %	Nb ppm	Rb ppm	Sn ppm	Ta ppm	W ppm	Company	Laboratory
WBD0	663163	6825895		7	50	0.01	22	48	-2	63	5	Diversity	Genalysis
WB1	662573	6826307		222	5369	**1.16**	53	4425	2	106	2	Diversity	Genalysis
WB2	662509	6826373		138	6142	**1.32**	57	4469	4	136	2	Diversity	Genalysis
WB3	662529	6826368		150	7791	**1.68**	46	5595	6	110	3	Diversity	Genalysis
WB4	662480	6826391		235	10398	**2.24**	64	7516	7	163	5	Diversity	Genalysis
WB6	662436	6826512		128	6591	**1.42**	57	4773	6	88	3	Diversity	Genalysis
WB7	662386	6826535		8	49	0.01	63	585	17	96	1	Diversity	Genalysis
WB8	662476	6826579		179	7585	**1.63**	55	5343	11	138	4	Diversity	Genalysis
WB11	662710	6828730		80	4563	0.98	39	2875	17	21	4	Diversity	Genalysis
R001	662573	6826309	127	285	4223	0.91	48	4366	1	78	2	Lithium Australia	Genalysis
R002	662555	6826352	177	227	8265	**1.78**	41	5661	6	59	3	Lithium Australia	Genalysis
R003	662521	6826373	171	263	10881	**2.34**	62	7289	4	137	5	Lithium Australia	Genalysis
R004	662441	6826472	14	14	43	0.01	50	963	20	83	1	Lithium Australia	Genalysis
R005	662473	6826566	134	41	2680	0.58	33	2889	26	58	2	Lithium Australia	Genalysis
R006	662509	6826767	156	106	5880	**1.27**	32	4123	8	67	3	Lithium Australia	Genalysis
R007	662540	6826772	21	302	19324	**4.16**	103	12990	13	136	10	Lithium Australia	Genalysis
R008	662540	6826772	82	300	19593	**4.22**	99	13151	14	106	10	Lithium Australia	Genalysis
R009	662603	6826310	155	209	6497	**1.40**	30	4562	3	31	2	Lithium Australia	Genalysis
R010	662526	6826011	88	21	87	0.02	58	1029	2	99	1	Lithium Australia	Genalysis
R011	662706	6828717	131	47	1682	0.36	38	1952	15	54	3	Lithium Australia	Genalysis
R012	662703	6828729	188	26	175	0.04	258	777	2	387	1	Lithium Australia	Genalysis
1270	662553	6826354	198	168	4840	**1.04**	50	3830		80	8	Lithium Australia	SGS Perth
1271	662513	6826374	172	185	6330	**1.36**	90	5100		220	11	Lithium Australia	SGS Perth
1272	662480	6826390	220	221	7980	**1.72**	80	6200		205	15	Lithium Australia	SGS Perth
1273	662438	6826469	13	19	36	0.01	100	1310		185	5	Lithium Australia	SGS Perth
1274	662495	6826596	163	32	1440	0.31	40	2430		35	4	Lithium Australia	SGS Perth
1275	662496	6826596	264	26	184	0.04	75	2290		65	9	Lithium Australia	SGS Perth
1276	662608	6827106	192	137	5370	**1.16**	55	4180		120	6	Lithium Australia	SGS Perth
WBR001	662717	6828580		196	7909	**1.70**	68	8048	18	96	60	Diversity	Genalysis
WBR002	662673	6828275		101	5732	**1.23**	58	6105	17	98	3223	Diversity	Genalysis
WBR003	662610	6828290		75	2619	0.56	66	4977	39	100	670	Diversity	Genalysis

Sample ID	MGA East	MGA North	Be ppm	Cs ppm	Li ppm	Li2O %	Nb ppm	Rb ppm	Sn ppm	Ta ppm	W ppm	Company	Laboratory
WBR004	662705	6828644		53	1255	0.27	68	3844	14	107	165	Diversity	Genalysis
WBR005	662677	6828500		114	5373	**1.16**	77	5608	26	70	56	Diversity	Genalysis
WBR006	661720	6826200		12	68	0.01	65	298	18	127	64	Diversity	Genalysis

JORC 2012 Table

SECTION 1 – Sample Techniques and Data

Criteria	*JORC Code explanation*	Commentary
Sampling techniques	• *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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (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.*	• RC drilling completed by Lithium Australia NL in 2019. • Sampling technique for Reverse Circulation (RC) drilling was appropriate and industry standard. • 1 m split samples of approximately 3-4 kg were collected from a rig-mounted cyclone and adjustable cone splitter (checks were made before and during drilling by the geologist to ensure the splitter box was level and sample splits representative). • Certified standards, blanks and duplicates accounted for 10% of the total samples submitted to the lab. 3 x certified standards and 1 blank were sourced from Geostats Pty Ltd. (GTA-01, GTA-04, GTA-06 and coarse basalt material as a blank.) Duplicate samples were collected to check repeatability and blanks were inserted to check for contamination. • Lithium mineralisation (lepidolite) was observed in RC drill cuttings. • Rock chip samples were collected to best represent the source material.
Drilling techniques	• *Drill type (e.g. 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).*	• RC drilling was carried out by Westside Drilling Pty Ltd using a truck-mounted MK10 Almet Masters RC drill rig with an onboard 2017 C18 Cat 1350 cfm / 350psi 1150 cfm / 500 psi Sullair compressor. • RC holes in the programme have been drilled on a variety of azimuths and dips.
Drill sample recovery	• *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.*	• Bulk waste samples from the cone splitter were assessed by the geologist and recorded in the logs as high, medium or low. • After every metre drilled the driller ensured the entire sample was blown out by lifting the bit and running air down the hole and up the tube before drilling continued. • No recovery issues were reported by the geologist.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	• RC drill samples were geologically logged to a level of detail to support future Mineral Resource estimation studies. • Relevant data fields included weathering, lithology, minerals, colour, grain size, veins, recovery and moisture.

Criteria	*JORC Code explanation*	Commentary
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Samples were geologically logged onto hardcopy logging sheets and later transferred into an Excel database. • All wet-sieved logging samples were collected into chip-trays and stored for future reference. • All drill holes were logged in full. The database contains lithological data for all holes in the database. • Rock chip samples were geologically logged.
Sub-sampling techniques and sample preparation	• *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.*	• No Diamond drilling undertaken. • Sampling has been by RC drilling through a rig-mounted cyclone and adjustable cone splitter. • Sampling technique is appropriate and industry standard. • Quality control procedures adopted to ensure maximum representivity of samples were by weighing the primary and secondary splits for every second metre to ensure equal splits. • Measures taken to ensure the sampling is representative of the in-situ material collected was by inserting field duplicates. At least three duplicates were inserted every 100 samples. • Sample sizes are considered to be appropriate to accurately represent the lithium mineralisation at Youanmi based on the style of mineralisation and the thickness and consistency of the intersections.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e lack of bias) and precision have been established.*	**RC Drilling** • Samples collected from the drilling were sent to Nagrom in Kelmscott, WA for sample preparation and analysis. • Samples were analysed for a suite of 11 elements, i.e., Li, Rb, Cs, Be, Bi, Sn, Ta, Al, Fe, K and Si. • Analysis completed by geochemical procedure ICP005 using peroxide fusion digestion and ICP-MS and ICP-OES analytical methods. • Field duplicates, certified standards and blanks accounted for 10% of the samples collected from the drilling and sent to the lab. • Nagrom made use of laboratory pulp repeats and 2 x internal standards for approximately 15% of all samples analysed. • Field and internal QAQC samples produced results deemed acceptable. **Rock Chip Sampling** • Samples range from about 500 grams to 1 kilogram in weight, with each sample comprising several pieces. • All samples were assayed for Cs, Li, Nb, Rb, Sn, Ta and W. Some batches were also assayed for extra elements, Ag, Al, As, Ba, Be, Bi, Ca, Cd, Ce, Co, Cr, Cs, Cu, Fe, Ga, Ge, Hf, In, K, La, Li, Mg, Mn, Mo, Na, Nb, Ni, P, Pb, Rb, Re, S, Sb, Sc, Se, Si, Sn, Sr, Ta, Te, Th, Ti, Tl, U, V, W, Y, Zn, and Zr.

Criteria	JORC Code explanation	Commentary
		• Analyses were performed by Intertek Genalysis and SGS in Perth • Most samples were digested with either a four-acid mix (nitric, hydrochloric, perchloric, hydrofluoric) or by sodium peroxide fusion in zirconia or nickel crucibles, followed by ICP-MS. A few elements were analysed by X-ray fluorescence. Both laboratories are NATA certified.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative Company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• No independent verification of sampling has been reported. • No twinning of holes. • Primary data is captured using industry standard worksheets. • No adjustments were made to any of the assay data.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• The RC drill hole locations (collars) were picked-up using a Garmin GPSMAP64 GPS with <5 m accuracy and considered adequate for first-pass drilling. • Rock chip samples were located using a Garmin GPSMAP64 GPS with <5 m accuracy and considered adequate for this purpose. • Grid systems used were Geodetic datum: GDA 94; Projection: MGA, Zone 50.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• RC drilling targeting mineralised horizons was completed on approximately 80 m spaced sections with drill hole spacing of approximately 40 m. • Examination of drilling results will be required to determine if this is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource estimation procedures.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• The dip of the pegmatites is approximately 20-40o to the east. Both the lines of vertical holes and the inclined holes were oriented appropriately at right angles to the stratigraphy.
Sample security	• *The measures taken to ensure sample security.*	• Industry standard measures were taken to ensure sample security. Chain of custody of RC drilling samples was managed by Lithium Australia personnel. All sample bags were properly sealed and couriered from Mt Magnet to Perth.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or a review have yet been undertaken.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• E 57/958, E 57/1049 and E 57/1056 are held by Diversity Resources Pty Ltd, a private company. • All tenements are in good standing. • Terms of the agreement are discussed in the body of this announcement.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The tenement area has been historically explored by many explorers since 1967. • Australian Gold Resources Limited (AGR) explored for vanadium within tenement E57/978. • Lithium Australia NL completed the RC drilling referenced in this report in 2019.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The project area lies on the northern part of the Youanmi Complex, a layered gabbroic intrusion. • The tenements hosts abundant lithium pegmatites intruding layered mafic rocks, with the latter also hosting vanadium-rich magnetite horizons. The pegmatites are strongly fractioned with the dominant lithium mineral being lepidolite (a lithium mica). • Within E57/978 there are also vanadiferous units that have been dislocated by a major fault. To the east of the fault, they strike east-west with a moderate dip to the south. To the west the units are offset by a number of minor faults and strike northeast-southwest, dipping moderately to the southeast. Oxidised mineralisation extends to between 20 m and 50 m, with an average depth of 40 m. There is minimal overburden.
Drill hole Information	• *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:* • *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.*	• Refer to the body of text of this report and relevant Tables for information material to the understanding of the exploration results.
Data aggregation methods	• *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.* • *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*	• Significant RC drilling intervals have been chosen using a 0.5% Li2O cut-off and 2 m internal dilution. • No cutting of high grades has occurred.

Criteria	JORC Code explanation	Commentary
	in detail. • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• The dip of the pegmatites is approximately 20-30^{o} to the east. Both the lines of vertical holes and the inclined holes were oriented appropriately at right angles to the stratigraphy.
Diagrams	• *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.*	• See plans and sections included in this report
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Reported results considered representative.
Other substantive exploration data	• *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.*	• All material exploration data has been included.
Further work	• *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.*	• Planned activities discussed in text. • Refer to text and diagrams in body of this release.