

Youanmi Lithium Project Drilling Commences

- RC Drilling programme has commenced at the Youanmi Lithium Project
- Programme provides for up to 12 holes for approximately 1,500m
- Drilling to target shallow east dipping LCT pegmatites that 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% Li₂O) in LCT pegmatite outcrop 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
- Significant near-term exploration activity planned includes 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 Reverse Circulation (RC) drilling has commenced at its recently acquired 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 (Figures 3, 4 and 5).

RC Drilling Youanmi

The RC drill programme at Youanmi comprises up to 12 holes for approximately 1,500 metres. Drilling will test down dip of mineralisation intersected in historic drilling on a number of east-west traverses. One drill section will test targets west and east across strike from the existing outcropping pegmatites (Figures 1 and 2).

Initial field reconnaissance work completed by Scorpion has confirmed extensive stacked LCT pegmatites at Youanmi (Figures 1 & 4). 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.

Company Comment – Executive Chairman Bronwyn Barnes

“We are very excited to have commenced RC drilling at Youanmi so soon after completion of our acquisition of this key asset last year. One of the key advantages of the Youanmi asset is our ability to conduct exploration activities immediately, given the approvals that are already in place. We will look to advance activities at Youanmi as quickly as possible, as it presents a highly strategic asset in the Scorpion portfolio. We look forward to keeping shareholders updated on progress.”

BOARD OF DIRECTORS

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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 3 and 4).

Limited historic exploration at Youanmi includes:

- Geological mapping
- Rock chip sampling
- Airborne magnetic surveys
- Reverse Circulation (RC) drilling (Figures 1 and 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 coarse 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 by Aldoro Resources on the west side of the late granite within the Windimurra complex.

Rock chip sampling was completed in two phases within the zone described above, identifying 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% Li₂O. Preliminary evaluation of airborne photography indicates there are zones of outcrop north of this zone that warrant follow up mapping and sampling.

RC drill testing at Youanmi consisted of 54 holes (19MYRC005 to 19MYRC058) drilled in wide spaced fences along the 3 km long zone with the majority drilled in the southern half of the trend. Significant intercepts included:

- 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 drilling have so far has confirmed multiple LCT zones 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.

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

Technical information included in this announcement has previously been provided to the market in releases dated:

19th December 2022

SCN Expands Lithium Footprint – Major Project Acquisition

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

-ENDS-

Enquiries

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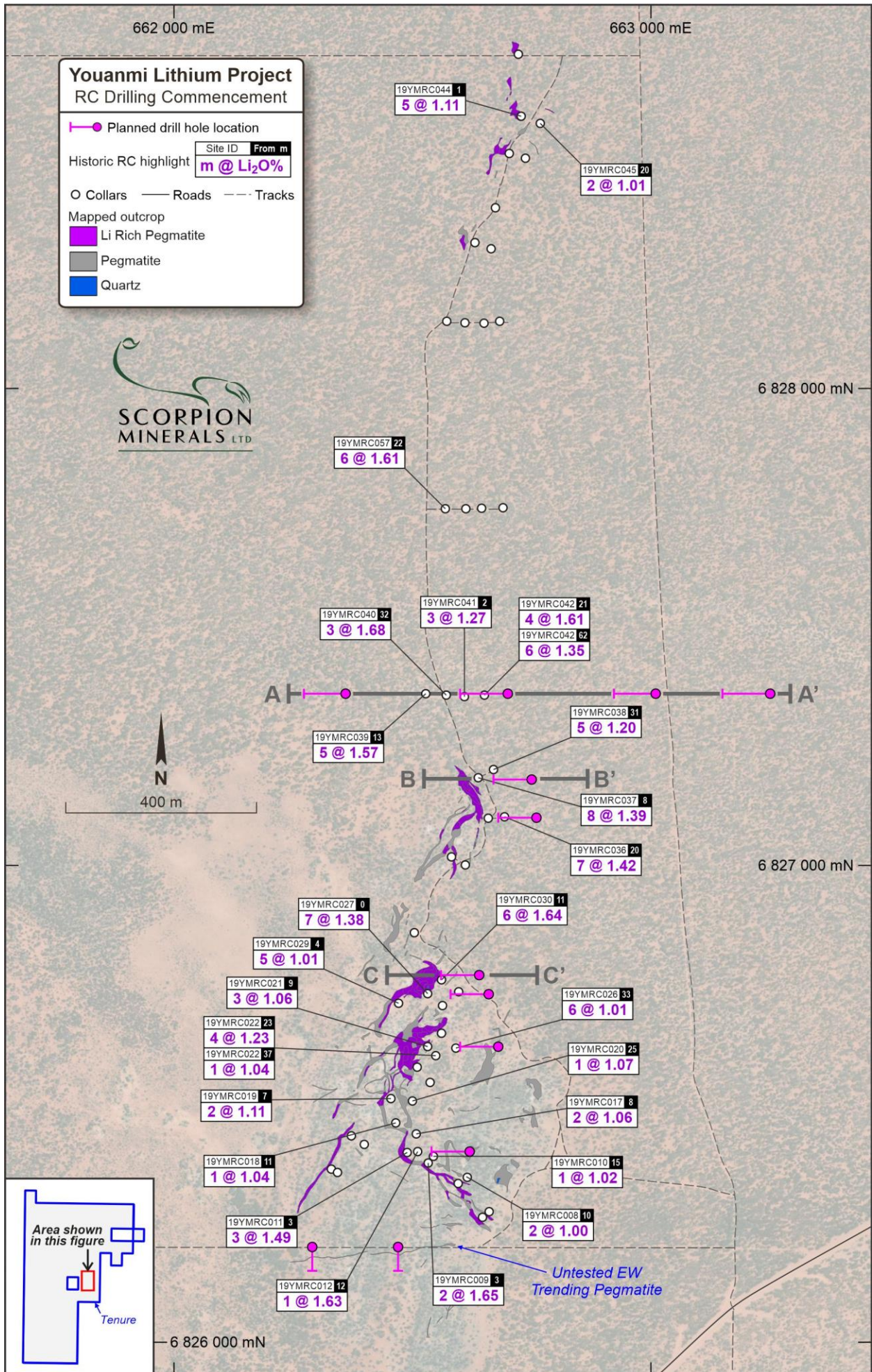


Figure 1: Plan Showing Mapped Pegmatite Outcrop and Significant RC Drilling Intercepts

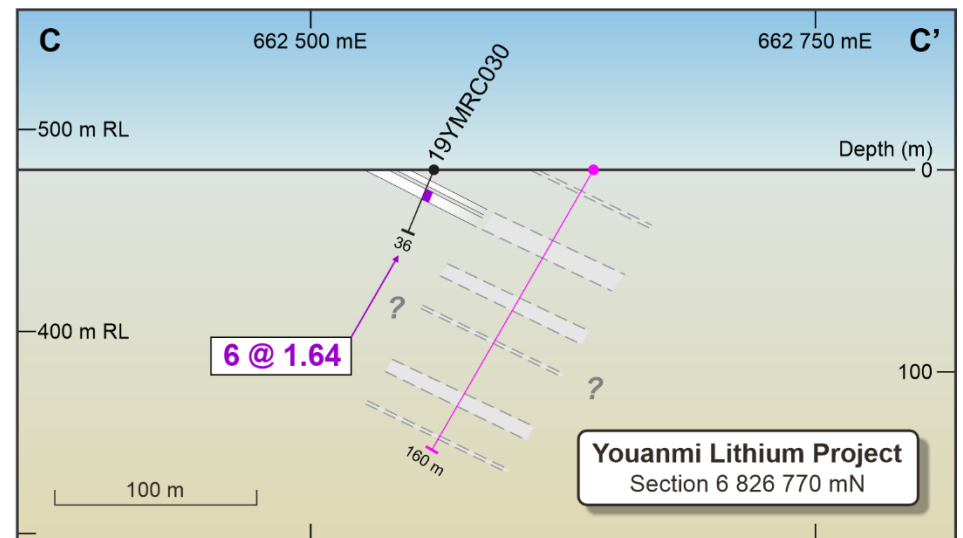
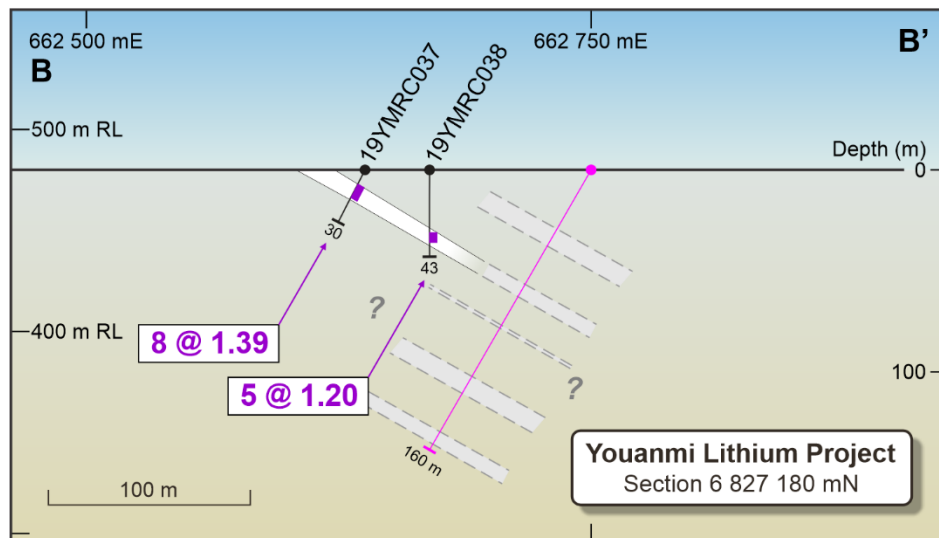
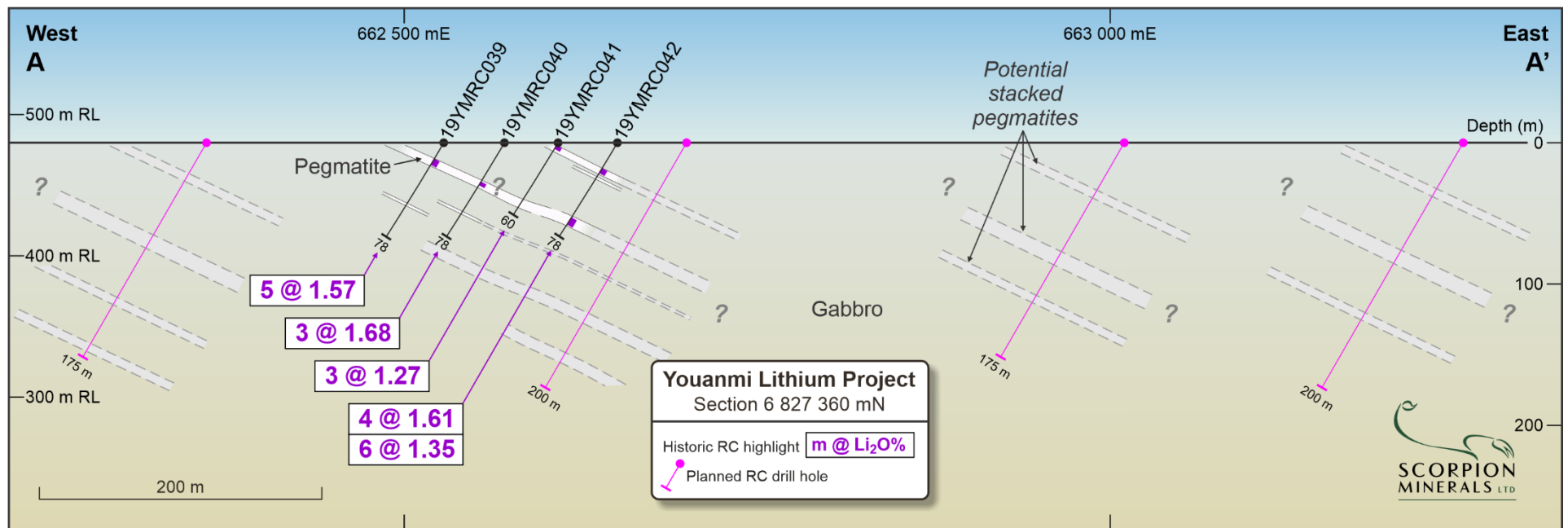


Figure 2: Cross Sections A-A', B-B', C-C' Showing significant Li₂O Drilling Results in Shallow East Dipping Stacked Pegmatites

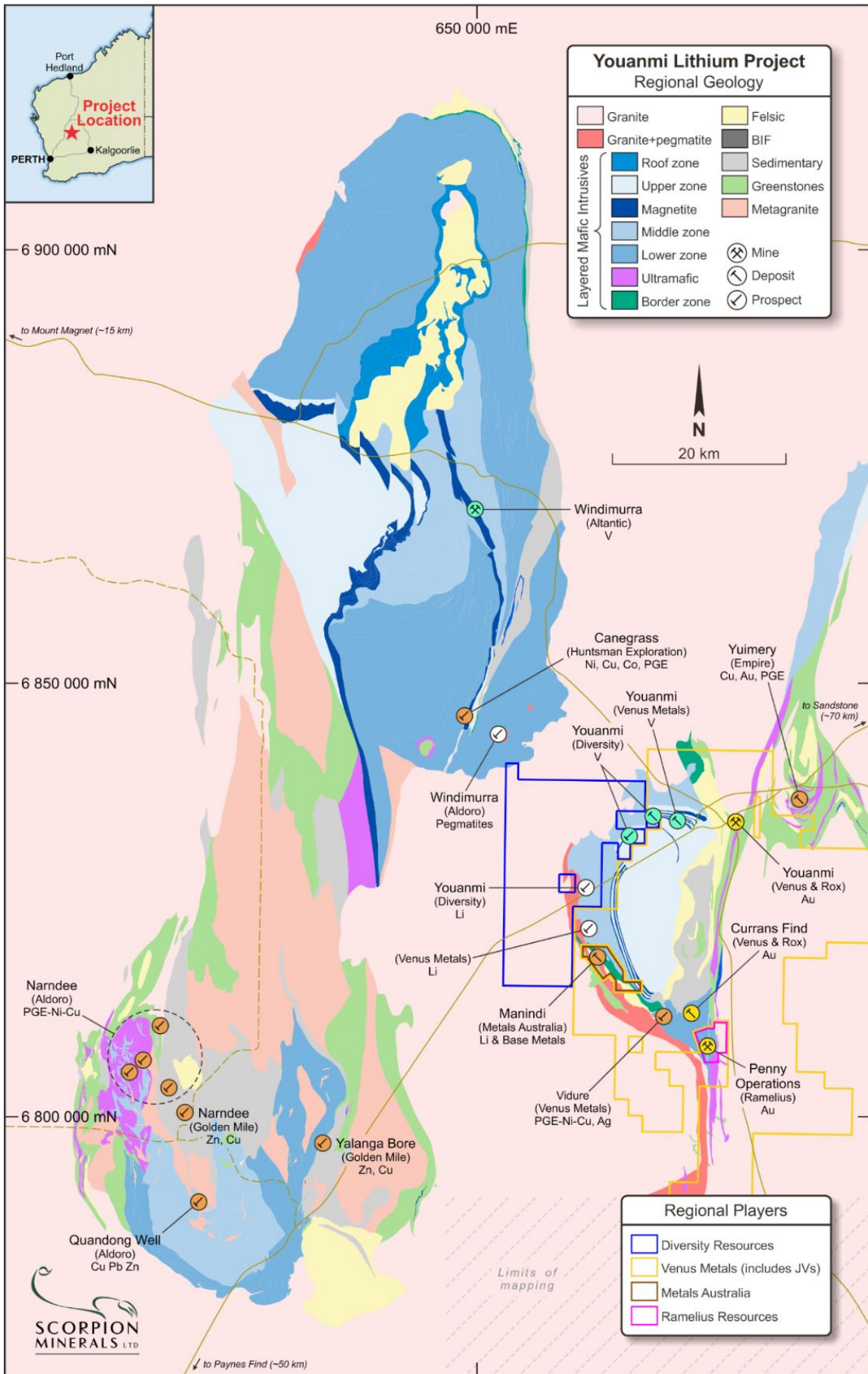


Figure 3: Regional Location of Youanmi Lithium Project and Competitor Activity

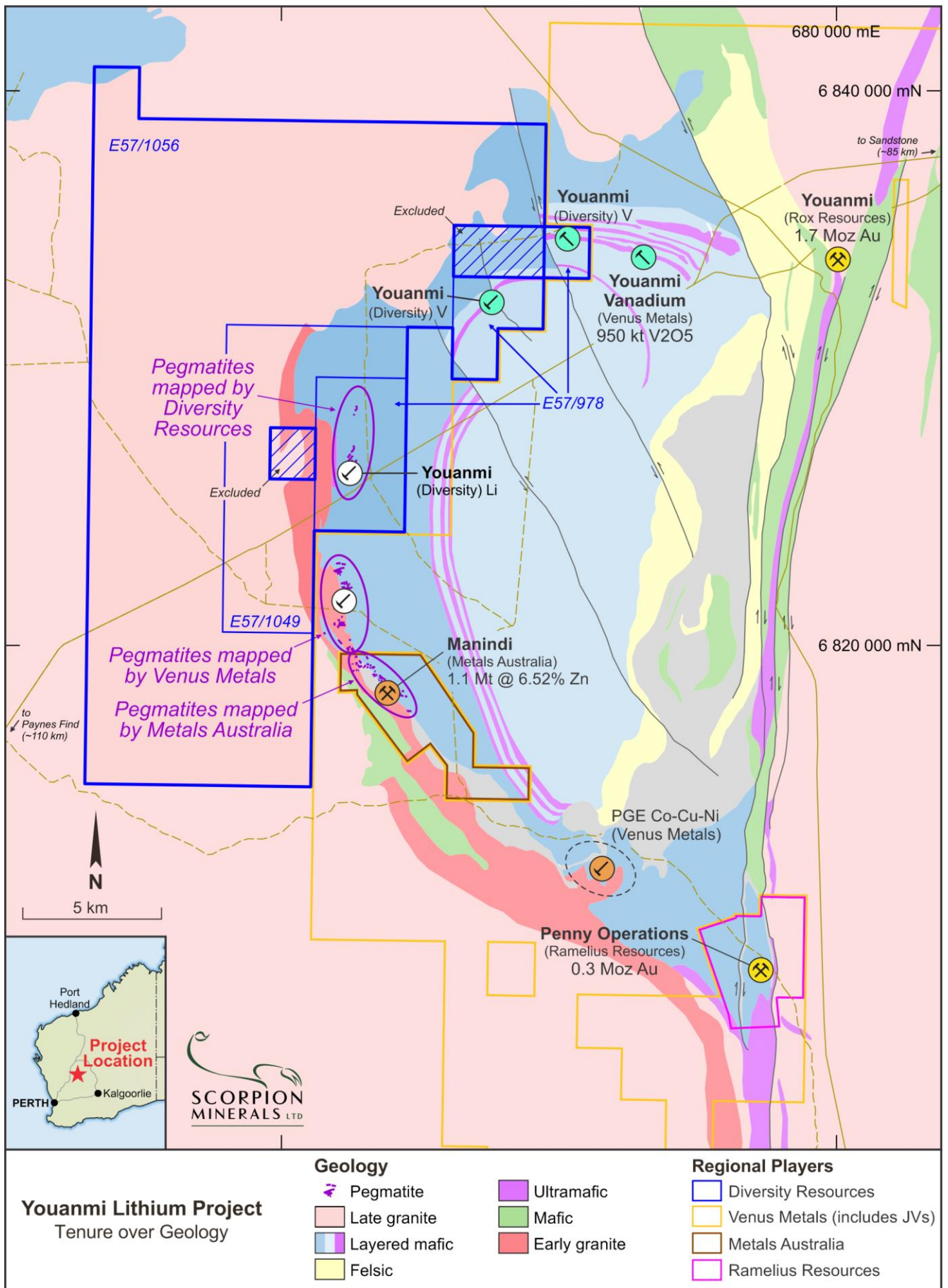


Figure 4: Plan Showing Tenements over Simplified Geology and Adjacent Explorers

About Scorpion Minerals Limited

Scorpion Metals Limited (ASX:SCN) is 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 and Youanmi Projects, located in the Murchison Province of Western Australia.

The Pharos Project

The Pharos Project consists of 1,544 square kilometres of granted tenure, located approximately 50 km northwest of the small mining town of Cue 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.

The Youanmi Project

The Youanmi Project consists of 279 square kilometres of granted tenure, located approximately 130 kilometres northeast of the small mining centre of Payne's Find in the East Murchison Mineral Field. The project is easily accessible from the Great Northern Highway by the Payne's Find-Sandstone road which cuts the southern end of the project area and then by unsealed station tracks. Scorpion holds an option to purchase a 100% interest in the project.

The project is prospective for lithium, PGE-Ni-Cu, gold and vanadium mineralisation.

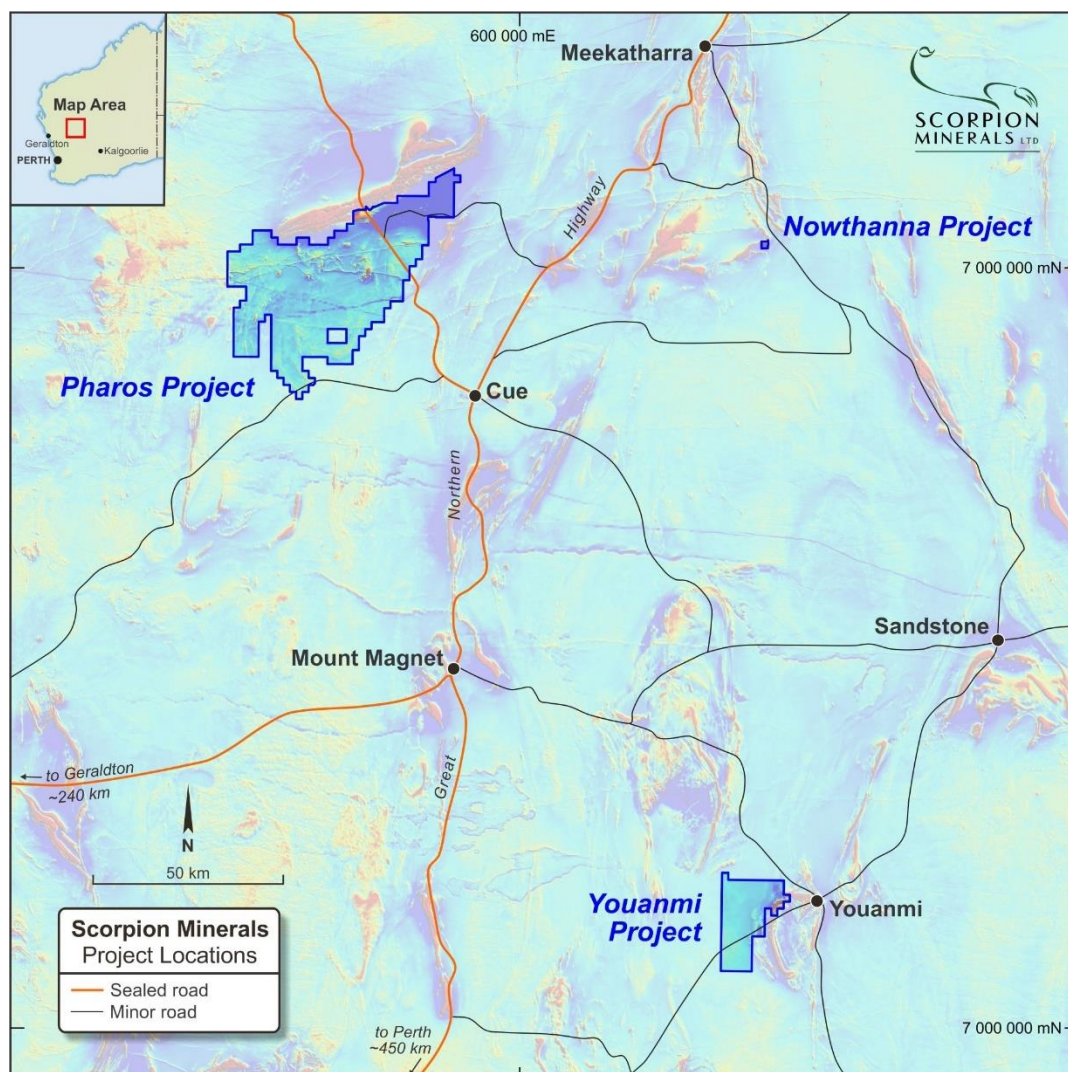


Figure 5: Location of Scorpion Minerals Pharos, Youanmi and Nowthanna Projects

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, who 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 Fotios 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

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