ASX: AS2

ASX ANNOUNCEMENT | 15 February 2023

PHASE I RC DRILLING PROGRAM UNDERWAY ON EPL 8535 UIS LITHIUM PROJECT

HIGHLIGHTS

- Minimum 3,000m RC drill program has commenced on EPL 8535
- At least four separate target zones will be tested with more than 40 drill holes which may be expanded upon to target additional pegmatite zones recently mapped and sampled
- Due diligence sampling from the project area (EPL 8535) returned sample results up to*:
    - 3.3% Lithium Oxide (Li_2O)
    - 3.2% Tin (Sn)
    - 4,280ppm Tantalum (Ta)
    - 7,980ppm Rubidium (Rb)

** Refer to ASX announcement dated 6 February 2023*

- Detailed mapping and sampling program also ongoing on EPL 7345
    - Phase II drilling to commence on EPL 7345 before the end of February 2023

Askari Metals Limited (ASX: AS2) ("Askari Metals" or "the Company") is pleased to announce that the Company has commenced its Phase I RC drilling program on Exclusive Prospecting Licence ("EPL") 8535, part of the Uis Lithium Project, located in the Erongo Region of central-west Namibia. The Uis Lithium Project comprises both EPL 7345 and EPL 8535 and covers an area of 308.12km^2 in a highly mineralised, spodumene rich pegmatite belt with a history of prior production and exploration success.

The RC drilling program commenced on 12 February 2023 with the Company having already completed six holes at the time of this announcement.

EPL 8535 forms part of the Uis Lithium Project ("Uis Project") and is located less than 17km from the town of Uis and adjacent to the operating Uis Mine, owned by London-listed Andrada Mining Limited (LSE:ATM).

The project holds exceptional potential, as identified by the due diligence sample results and the very high number of pegmatites exposed at the surface, ranging from a few meters in width to more than 50m wide. Many of the pegmatites have been mined historically for tin and semi-precious stones, and altered spodumene and lepidolite are visible within the workings and the mined rock around the workings.

Commenting on the program, VP-Exploration & Geology, Mr Johan Lambrechts, stated:

"Askari has maintained an aggressive and hands-on exploration approach since acquiring the Uis Lithium Project. We acquired EPL 7345 in late October 2022 and expanded our strategic landholding with the acquisition of EPL 8535 in early December 2022. Within 3 weeks of acquiring EPL 7345, the Company had mobilized a drill rig to site for its Phase I RC drilling program at EPL 7345 and we are now due to commence Phase II RC drilling at EPL 7345 in late February 2023.

We have continued with this momentum having now commenced our Phase I RC drilling program at EPL 8535. We are confident in the mineralized pegmatites we have seen on surface to date and with our mapping team continuing in the field, there are numerous additional targets being identified highlighting the significant exploration upside. We see the Uis Lithium Project as having significant potential and we are aiming to demonstrate the potential scale of the mineralization through aggressive drilling and other exploration campaigns. We are certainly leading the lithium charge out of Namibia.

This inaugural phase of drilling on EPL 8535 will culminate in the Company completing more than 100 drill holes on our Namibian projects in less than five months, and this statistic will be compounded when the second phase of drilling starts on EPL 7345 in a few weeks' time. We aim to continue with this methodology for the foreseeable future, with the mapping programs leading to new and additional drill targets to be tested.

"The Company looks forward to updating our shareholders as our exploration activities continue."

Phase I RC drilling on EPL 8535

This first phase of drilling on EPL 8535 aims to test several high-grade lithium targets identified by the due diligence work completed by the company. Additional field activities have also identified several large-scale pegmatite targets that will be drill tested during this phase. Some of these new targets include pegmatites over 50m wide.

Figure 1 below shows one of these wide pegmatite bodies that will be drill tested during this phase.

Figure 1: Large pegmatite to be tested by the inaugural drilling phase on EPL 8535

The first drill holes have been completed and targeted the high-grade lithium zone identified by the due diligence work, (Area 1 shown within Figure 3, below). The Company is also excited to test the larger pegmatite bodies identified in Areas 2, 3 and 4.

Figure 2: RC drill rig in operation at Area 1 within EPL 8535

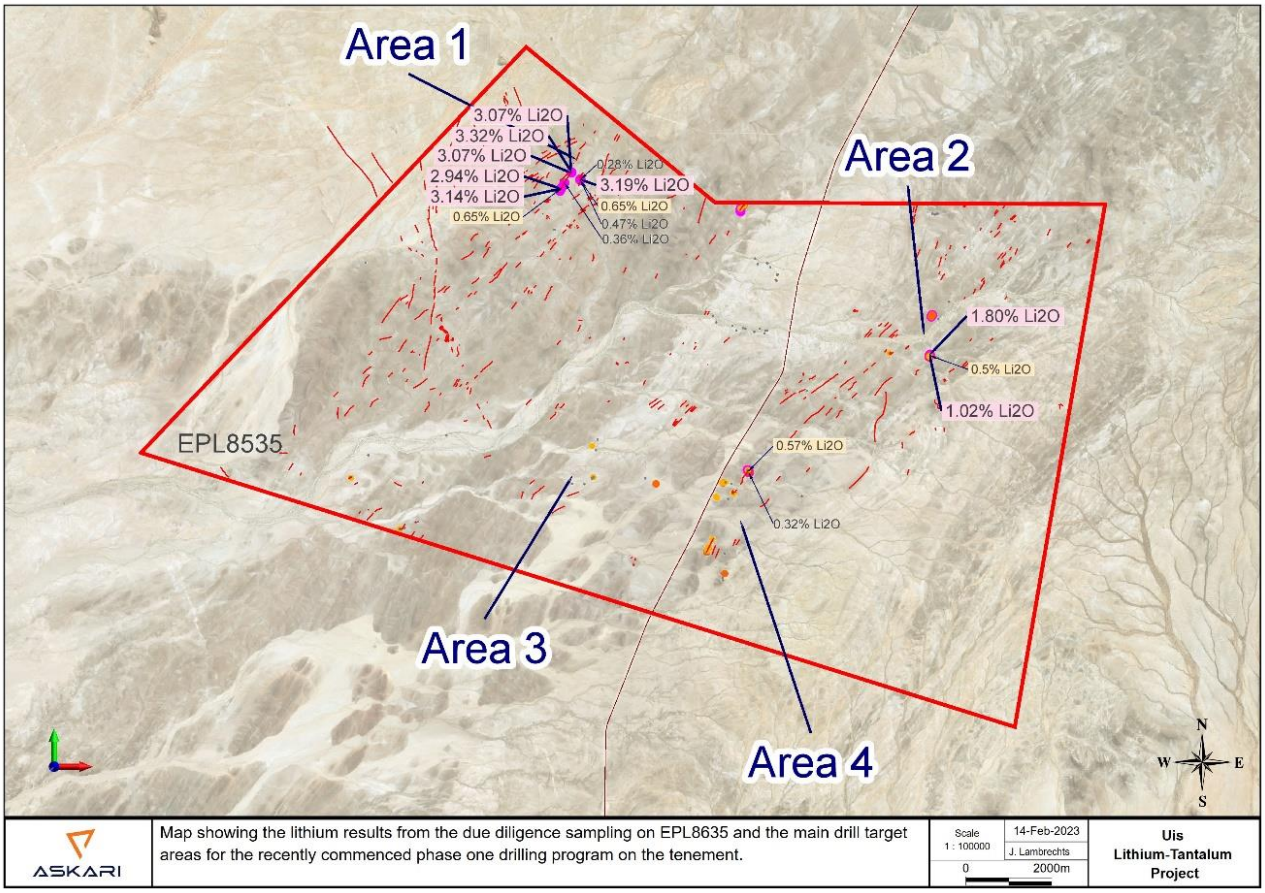

Figure 3: Main drill target areas within EPL 8535 which may be added to as the program continues

FUTURE WORK

A second RC drill rig will commence the Phase II drilling program on EPL 7345 in the next few weeks, and after the completion of the mapping program on EPL 7345, the team will move to EPL 8535. The same scope of work will be applied to the work plan for this second mapping program.

The mapping on EPL 8535 will inform the second phase of drilling on EPL 8535 which the Company will aim to commence as soon as possible after the completion of the mapping.

This announcement is authorised for release by the executive board

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FOR FURTHER INFORMATION PLEASE CONTACT

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ABOUT ASKARI METALS

Askari Metals was incorporated for the primary purpose of acquiring, exploring and developing a portfolio of high-grade battery (Li + Cu) and precious (Au + Ag) metal projects across Namibia, Western Australia, Northern Territory and New South Wales. The Company has assembled an attractive portfolio of lithium, copper, gold and copper-gold exploration/mineral resource development projects in Western Australia, Northern Territory, New South Wales and Namibia.

For more information please visit: www.askarimetals.com

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This document contains forward-looking statements concerning Askari Metals Limited. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on the Company's beliefs, opinions and estimates of Askari Metals Limited as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

COMPETENT PERSONS STATEMENT

The information in this report that relates to Exploration Targets, Exploration Results or Mineral Resources is based on information compiled by Johan Lambrechts, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr. Lambrechts is a full-time employee of Askari Metals Limited, who has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Lambrechts consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

UIS LITHIUM PROJECT BACKGROUND – GEOLOGY AND MINERALISATION

The rocks of the Erongo Region, and specifically the Dâures Constituency, are represented by rocks of the Khomas Subgroup, a division of the Swakop Group of the Damara Sequence which have been intruded by numerous zones and unzoned mineralised pegmatites rich in cassiterite, lepidolite, petalite, amblygonite, spodumene, tantalite, columbite, beryl, gem tourmaline, and rare to sparse sulphides, wolframite, scheelite, pollucite or rare earths.

The Uis and Nainais-Kohero swarm of pegmatites represent the fillings of en-echelon tension fractures that formed as a result of regional shearing. These pegmatites can be described as being pervasively altered or extensively albitised with only relics of the original potassium feldspars left after their widespread replacement by albite. They are remarkably similar in composition, except for the varying intensity of pneumatolytic effects and the introduction or concentration of trace elements during the final stages of crystallisation has resulted in complex pegmatite mineralogies. These pegmatites are found within schistose and quartzose rocks of the Khomas Subgroup, a division of the Swakop Group, which have been subjected to intense tectonic deformation and regional metamorphism.

Detailed geological mapping within the Uis area suggests that the Uis swarm of pegmatites consists of over 80 individual pegmatite bodies. Shearing resulted in spaces being opened within the Khomas Subgroup which were subsequently intruded by pegmatite or quartz veins. Within the Nainais pegmatites high tin values are found in smaller altered mica-rich pegmatites near the pegmatite edges. The pegmatite mineralisation composition changes with distance from the granitic contacts with a mineral crystallisation sequence, which indicates garnet and schorl occurring closest to the granitic contacts, cassiterite and lithium-tourmaline occurring further away therefrom, and the tantalite being associated with lithium-tourmaline and quartz blows.

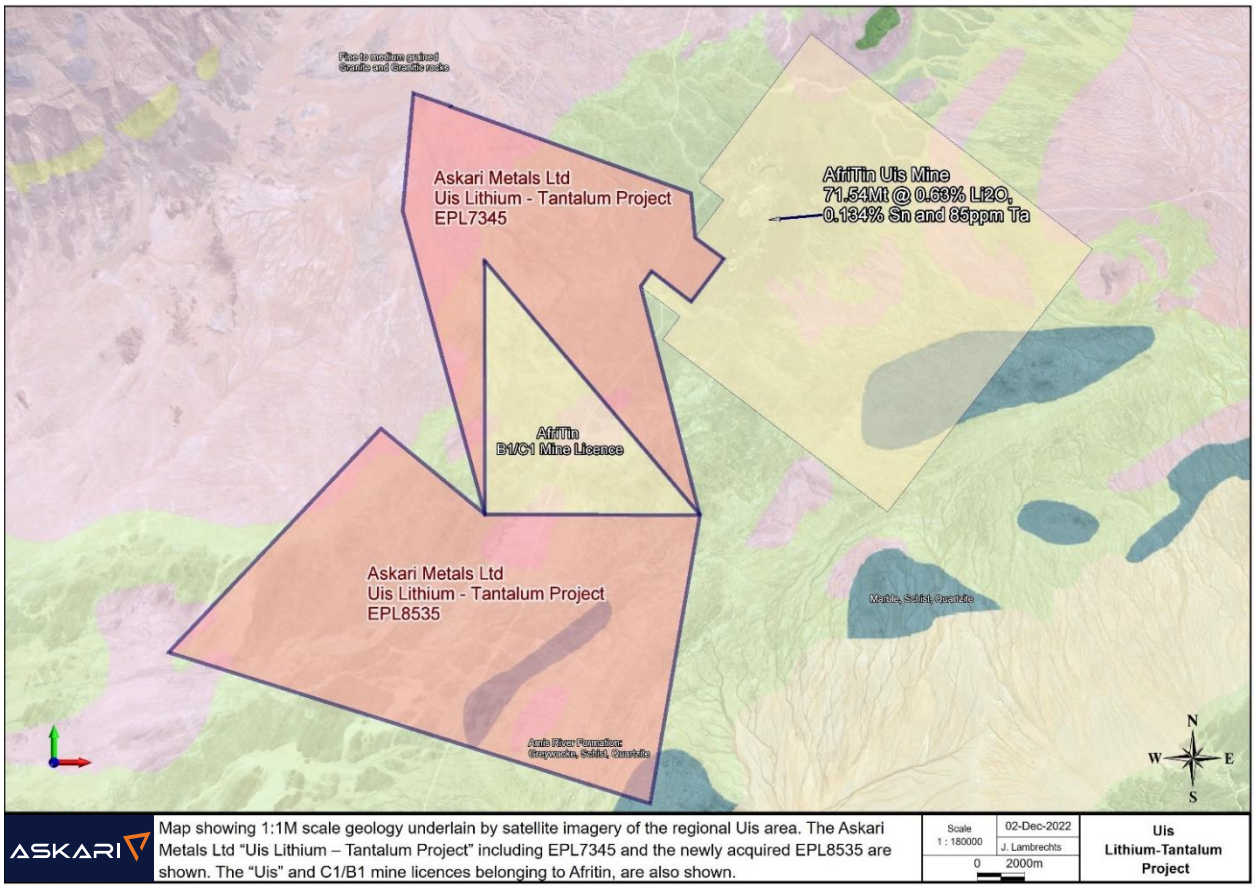

Figure 4: A map showing the geology of the Uis Lithium Project