

ASX Announcement

1 March 2023

MEDIATION SETTLEMENT REACHED OVER BIG SANDY LITHIUM CLAIMS DISPUTE

Arizona Lithium Limited (**ASX: AZL, AZLOA, OTC: AZLAF**) (“**Arizona Lithium**”, “**AZL**” or “**the Company**”), a company focused on the sustainable development of the Big Sandy Lithium Project (“**Big Sandy**”, “**Project**”), wishes to announce that mediation initiated in 2021 has concluded and resulted in execution of a final binding confidential settlement agreement and mutual release (the “**Settlement Agreement**”) concerning a dispute regarding certain federal unpatented mining claims located in Mohave County, Arizona (U.S.A.) with Bradda Head Lithium Limited (AIM:BHL, OTCQB:BHLIF) (“**Bradda Head**” or “**BHL**”).

Pursuant to the Settlement Agreement, Arizona Lithium and Bradda Head have reached a mutually agreeable claim exchange in lieu of litigation or further dispute resolution proceedings, which will enable both parties to proceed with the development of each of their respective lithium projects in the area. The key terms of the Settlement Agreement are:

- (a) subject to certain amendments to address any claim overlaps and in accordance with the terms of the Settlement Agreement, Bradda Head will cause its subsidiary Verde Grande LLC to transfer 55 federal lode unpatented mining claims to AZL;
- (b) subject to certain amendments to address any claim overlaps and in accordance with the terms of the Settlement Agreement, Arizona Lithium will cause its subsidiary Big Sandy Inc. to transfer 66 federal lode unpatented mining claims to BHL;
- (c) each of AZL and BHL have agreed to make commercially reasonable efforts to coordinate reasonable access across each parties retained claims. If long-term access is required for development, the parties will negotiate commercially reasonable terms for access on and through each other’s retained claims so each has the continuing unimpeded right to conduct exploration, development, mining and/or processing activities on their respective claims; and
- (d) neither party will intentionally or knowingly overtake lands owned by the other for as long as the other continues to own an interest in the lands the subject of the Settlement Agreement.

The Settlement Agreement also provides for standard mutual releases and no admissions of liability.

The Company confirms that the transfer of the 66 claims to BHL will not have any material effect on the development of the Big Sandy lithium project.

This announcement has been authorised by the Board of Arizona Lithium Limited.

FOR FURTHER INFORMATION PLEASE CONTACT:

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