ASX: AS2

ASX ANNOUNCEMENT | 7 March 2023

PHASE II RC DRILLING CAMPAIGN UNDERWAY ON EPL 7345 UIS LITHIUM PROJECT

HIGHLIGHTS

- **Second phase of RC drilling comprising a minimum of 4,000m commenced on 28 February on EPL7345**
    - **Assay results from the first phase of drilling are expected to be received soon**
- **Detailed mapping and sampling program has identified several target pegmatites and is ongoing on EPL 7345**
- **Phase I drilling on EPL 8535 continues with the Company intersecting significant pegmatites**

Askari Metals Limited (**ASX: AS2**) ("**Askari Metals**" or "**Company**") is pleased to announce that the Company has commenced the Phase II RC drilling campaign on Exclusive Prospecting Licence ("EPL") 7345, part of the Uis Lithium Project, located in the Erongo Region of central-west Namibia.

The Phase II RC drilling program commenced on 28 February 2023, and is set to continue for approximately two months, producing at least 4,000 m of chips, samples and data from the project. This Phase II program aims to test previously untested pegmatites mapped and identified by geologists in the field and which are reported to have visible lithium mineralisation at the surface.

EPL 7345, part of the Uis Lithium Project, is located 3km from the township of Uis within the Erongo Region of west-central Namibia. 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 20m in width. Many 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 is continuing its philosophy of aggressive and hands-on exploration with the second phase of drilling commencing on EPL 7345 since purchasing it a mere four months ago. We maintain that we see the Uis Lithium Project as having extremely high potential and plan to advance it along the value curve as efficiently as possible.

This new phase of drilling results in the Company having two separate drill rigs actively drilling on our Uis Lithium project, producing tangible geological data and accelerating the Company towards unlocking the significant potential of this well-mineralised lithium-rich pegmatite belt of the Erongo region. In addition to the drilling, the mapping program leads to new and additional pegmatite identification, representing future drill targets to be tested.

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

Target Identification

EPL 7345 is being geologically mapped and sampled by Earthlab Tech, a South African geological consultancy, which has identified a large number of pegmatites on the project. These pegmatites have been geologically scrutinised, and several occurrences of spodumene and other lithium-baring minerals have been identified in the field in outcrop. The mapped pegmatites and the geological description of their physical and geochemical characteristics form part of the targeting process for the drilling programs. Approximately 25% of the project area has been mapped to date, and many more targets are expected to be generated by the time the mapping program is completed.

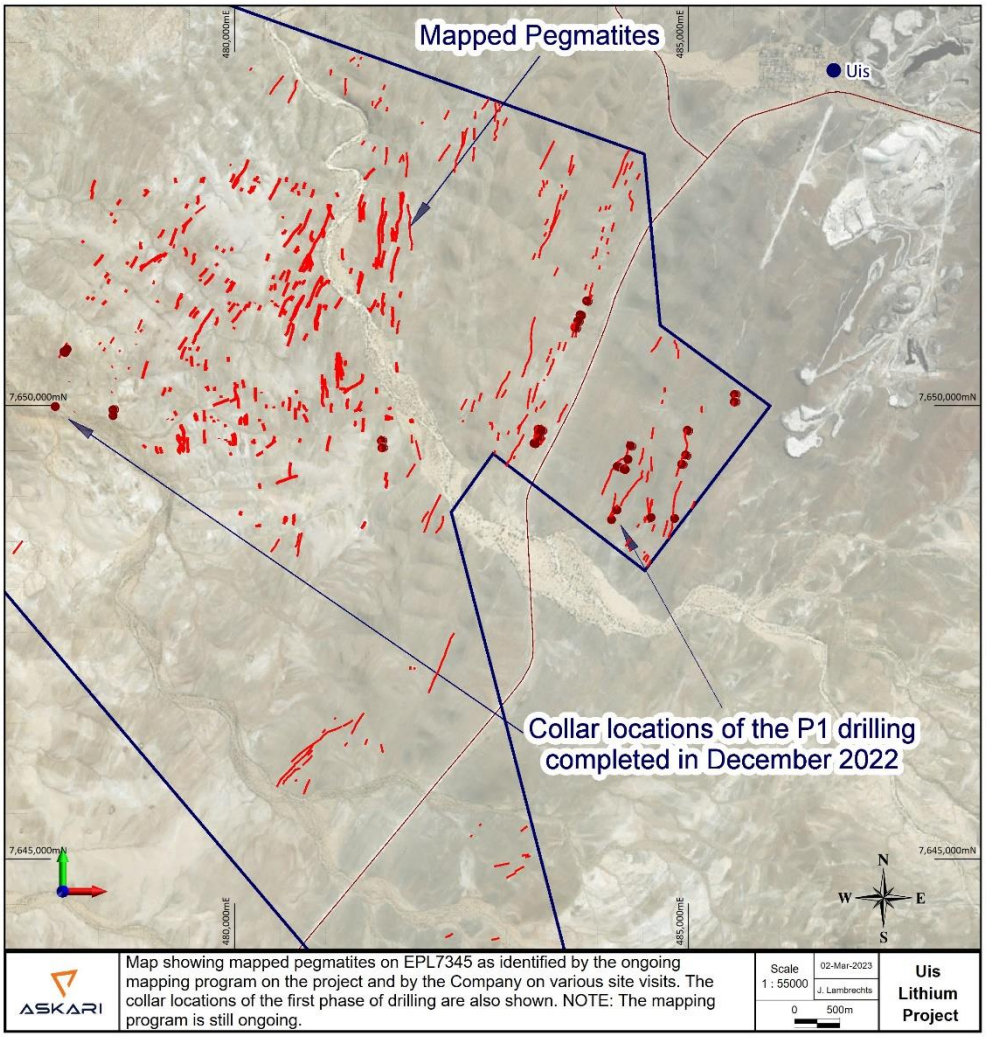

Figure 1: Mapped pegmatites on EPL 7345 identified by the ongoing mapping and sampling campaign together with the Phase I collar locations from the December 2022 drilling

Second phase drilling on EPL 7345

The first four drill holes of the second phase of drilling have been completed on EPL 7345 at the time of this announcement. Figure 2 below depicts the initial target pegmatites in red, but more will be added as the mapping program progresses. The Company expects this program to include at least 4,000m of drilling, and we are also eagerly awaiting the results of the first phase of drilling completed in December 2022.

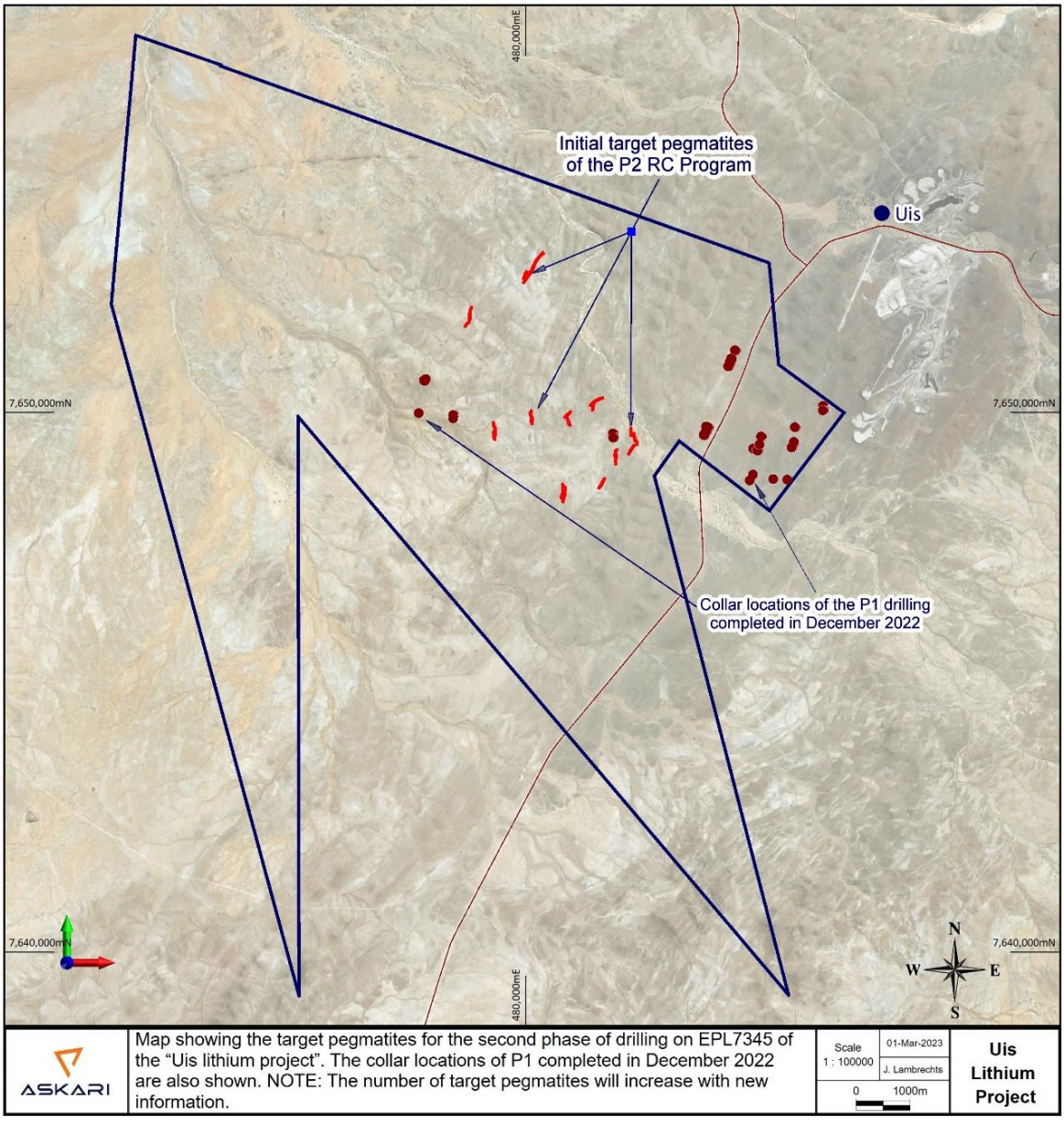

Figure 2: Map showing the initial target pegmatites of the second phase of drilling on EPL 7345

Figure 3: Drill rig in action on EPL 7345

FUTURE WORK

A diamond drill rig will be the third rig on site and will commence drilling as soon as possible. The aim is to produce core intersections of the most promising RC intercepts, which will be used for metallurgical test work in the future. The diamond drill will also be the main component of the planned resource drill-out once the potential resource target area has been identified. When the mapping of EPL 7345 is completed, the mapping crew will move to EPL 8535 and continue with the same scope of work currently in place.

A second phase of drilling on EPL 8535 will commence as soon as possible after completing the mapping phase on that tenement.

This announcement is authorised for release by the executive board.

- ENDS -

FOR FURTHER INFORMATION PLEASE CONTACT

INVESTORS

Gino D'Anna
EXECUTIVE DIRECTOR

M. +61 400 408 878
E. gino@askarimetals.com

Johan Lambrechts
VICE PRESIDENT – EXPLORATION & GEOLOGY

M. +61 431 477 145
E. johan@askarimetals.com

MEDIA

Josh Lewis
SENIOR MEDIA COUNSEL

M. +61 412 577 266
E. josh@spokecorporate.com

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.

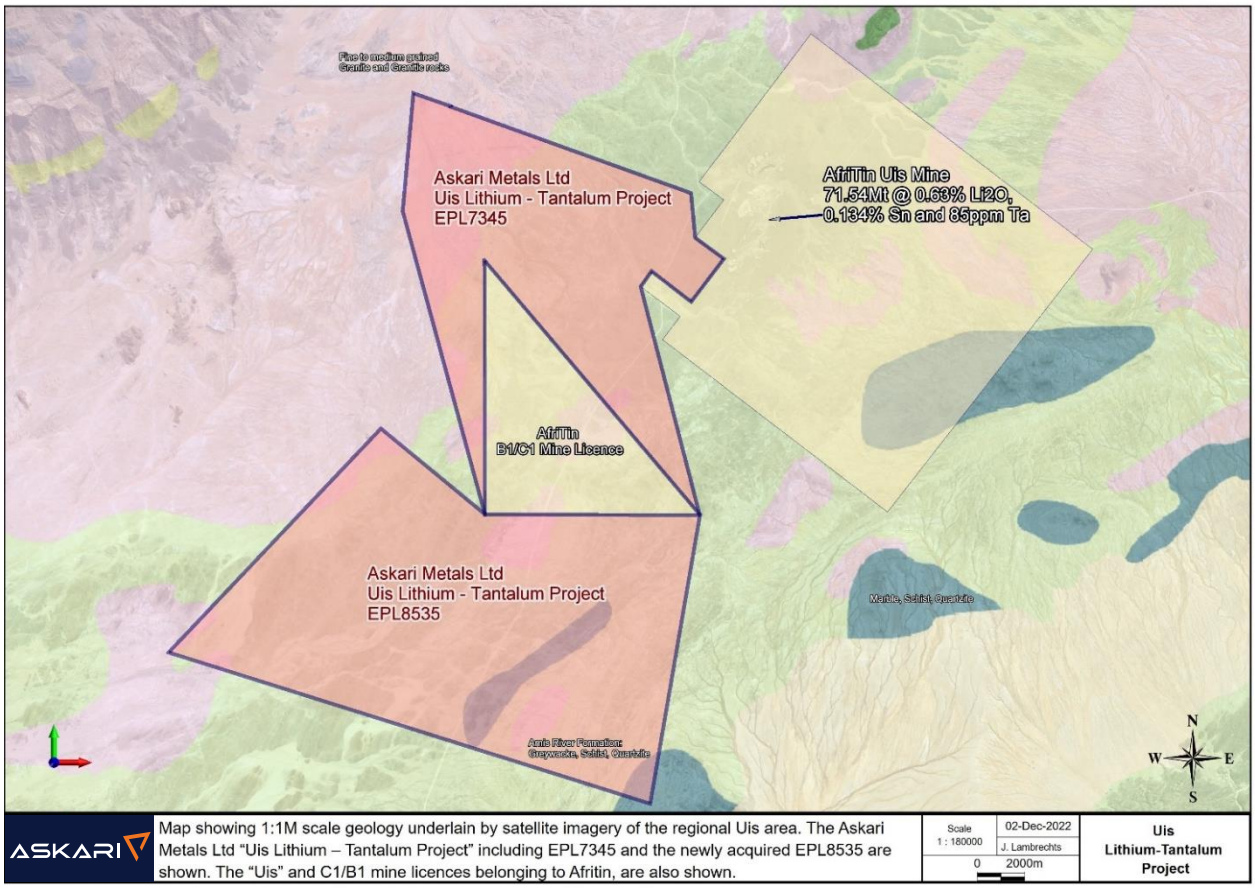

Figure 4: A map showing the geology of the Uis Lithium Project