

## PRAIRIE LITHIUM TO RECEIVE AU\$1.2 MILLION GRANT FUNDING

### HIGHLIGHTS

- **Prairie Lithium Corporation, which AZL is in the process of acquiring, was awarded a grant from the Critical Mineral Research Development and Demonstration (CMRDD) program for Natural Resources in Canada (NRCan).**
- **Prairie is to receive a total of C\$1.074m (approx. A\$1.2m), which will be matched with funding from Prairie, and is to be invested into Direct Lithium Extraction (DLE) technology development.**
- **Prairie's proprietary lithium extraction process technology may have a global application, with the process currently being tested on lithium resources from other jurisdictions, including the Big Sandy Resource.**
- **In December 2022, AZL signed a definitive agreement to acquire 100% of Prairie Lithium Corporation and its proprietary lithium extraction process technology.**
- **The acquisition represents a 1,200% increase to AZL's global lithium Resource, which now stands at 4.4MT of LCE (inferred and indicated).**

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**"), is pleased to announce that Prairie Lithium Corporation ("**Prairie**" or "**Prairie Lithium**"), which AZL is acquiring, is to receive grant funding from the Critical Mineral Research Development and Demonstration (CMRDD) program for natural resources in Canada (NRCan).

Prairie is to receive a total of C\$1.074m, which will be matched with funding from Prairie, and will be invested into direct lithium extraction (DLE) technology development.

**Prairie Lithium President and CEO, Zach Maurer, commented:** "*Securing support from NRCan is instrumental for the company's development and further demonstrates the federal government's commitment to developing key critical mineral projects across the country. The grant allows us to accelerate our DLE technology development with the goal of advancing to commercial scale lithium production as quickly as possible.*"

**Arizona Lithium Managing Director, Paul Lloyd, commented:** "*We are pleased that Prairie has been awarded this grant funding, as we continue to position the Arizona Lithium group as a leader in lithium processing and development in North America. We look forward to using our joint lithium expertise to further advance the DLE technology at both AZL's Lithium Research Centre in Tempe, Arizona and Prairie's pilot plant in Emerald Park, Saskatchewan.*"

In December 2022, AZL signed a definitive agreement to acquire 100% of Prairie Lithium Corporation, one of Canada's most advanced lithium brine companies, and one of the most advanced Direct Lithium Extraction (DLE) projects globally.

Prairie Lithium is the owner of a lithium project located in the Williston Basin of Saskatchewan, Canada, and a proprietary lithium extraction process technology. Prairie's proprietary lithium extraction process technology, called the Prairie Lithium Ion Exchange (PLIX), is an ion-exchange material that selectively extracts lithium from brine. PLIX may have a global application, with the process currently being tested on lithium resources from other jurisdictions.

Prairie's JORC Inferred Mineral Resource is 4.1 million tonnes of lithium carbonate equivalent (LCE) at 111 mg/L, the highest quality inferred lithium brine resource in Canada discovered to date. The

acquisition represents a 1,200% increase to AZL's global lithium Resource, which now stands at 4.4MT of LCE (inferred and indicated).

Located in one of the world's top mining friendly jurisdictions, Prairie's projects have easy access to key infrastructure including electricity, natural gas, fresh water, paved highways and railroads.

**FOR FURTHER INFORMATION PLEASE CONTACT:**

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**Big Sandy Lithium Project (Arizona)**

The Big Sandy Project, as a very shallow, flat lying mineralised sedimentary lithium resource and with excellent available infrastructure, has the potential to be developed with a very low environmental footprint.

Arizona Lithium's successful 2019 drill program at Big Sandy resulted in the estimation of a total Indicated and Inferred JORC resource of 32.5 million tonnes grading 1,850 ppm Li for 320,800 tonnes  $Li_2CO_3$ <sup>1</sup>. This represents 4% of the Big Sandy Project area that contains an estimated exploration target of between 271.1Mt to 483.15Mt at 1,000 - >2,000ppm Li<sup>2</sup>.

*Note that the potential quantity and grade of the estimated geological potential (Exploration Target) is conceptual in nature. There has been insufficient exploration to estimate a mineral resource and it is uncertain whether future exploration will result in the definition of a mineral resource. It has been estimated using a range of thicknesses for the mineralised sediments calculated from drill intercepts, surface sampling and geological mapping. The grade estimates a range of values demonstrated from drilling and surface sampling.*

The Permit of Exploration (POE) that includes 145 exploration holes and a bulk sample at the Company's Big Sandy Lithium project in Arizona is awaiting Bureau of Land Management (BLM) approval. Community involvement is welcomed to ensure mutually beneficial outcomes for all stakeholders and the Company is very confident that drilling program can be completed without environmental impact and to the satisfaction of all stakeholders.



**Figure 1- Arizona Lithium Project Portfolio, including major Li-battery infrastructure in close proximity to Big Sandy and Lordsburg Lithium Projects**

<sup>1</sup> Announcement Sept 26, 2019, Big Sandy Lithium Project, Maiden Mineral Resource  
<sup>2</sup> Announcement Nov 7, 2019, Big Sandy Lithium Project, Exploration Target Update