METALS AUSTRALIA LTD

ASX Announcement

27 March 2023

ASX:**MLS**

Multiple Lithium Pegmatite Targets Identified Next To Patriot Battery Metals Corvette Lithium Project in Quebec

- **Multiple lithium pegmatite targets have been identified by Metals Australia on the Company's tenements directly adjoining Patriot Battery Metals' (ASX:PMT) Corvette Lithium Project[1] in Canada.**
- **The Company's tenements sit within the highly-prospective Corvette (CV) Lithium Trend[2], where Patriot has recorded extremely positive drilling results including 156.9m @ 2.12% Li_2O incl. 25m @ 5.04% Li_2O.**
- **Large, potentially lithium bearing, pegmatites have been mapped within the Company's tenements[3], immediately along strike from lithium-pegmatite clusters identified by Patriot[2]. Satellite data has confirmed a similar spectral pattern to Patriot's high-grade CV lithium pegmatites along strike.**
- **Field work set to commence to sample the pegmatites and identify priority targets for drilling.**

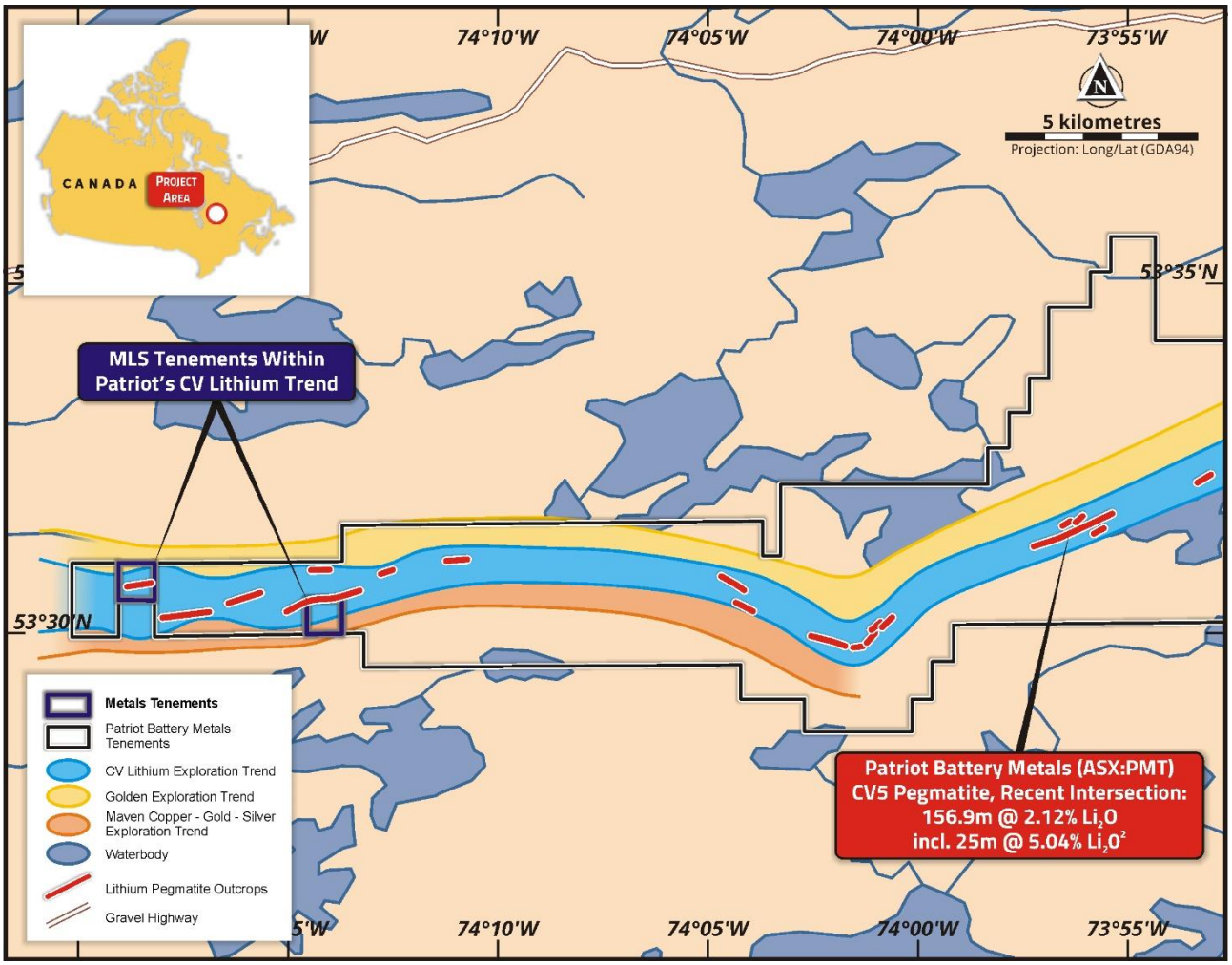

Figure 1: Metals tenements within CV Lithium Trend in Canada (after PMT Corporate Presentation, Sept. 22[1,2])

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Outstanding Lithium Pegmatite Potential on Metals Australia's Canadian Tenements:

Metals Australia Ltd (ASX:MLS) is very pleased to announce it has identified multiple lithium-pegmatite targets on its **East Pontois and Felicie tenements, which adjoin the Corvette (CV) Lithium Project owned by Patriot Battery Metals (ASX: PMT) and sit on continuations of the CV Lithium Trend** (see location, Figure 1 and pegmatites identified on Figure 2 below).

Patriot has announced drilling results from the CV Lithium Trend which include **156.9m @ 2.12% Li_2O** incl. **25m @ 5.04% Li_2O (drillhole - CV22-083)**[2] from outcropping pegmatite within what appears to be a world-class lithium-pegmatite corridor. The CV Lithium Trend continues west into the Company's tenement blocks where **several pegmatites have been identified on the East Pontois and Felicie properties**[3] (Figure 2).

Previous work on the Metals Australia tenements was focussed on gold and base metals exploration. As such, the **large pegmatites mapped at the northern end of the Felicie tenement - along strike from the Patriot lithium-pegmatite occurrences** (Figure 2) **- have never been sampled.** These pegmatites will be the priority focus of mapping and sampling field programs, set to commence during the upcoming field season.

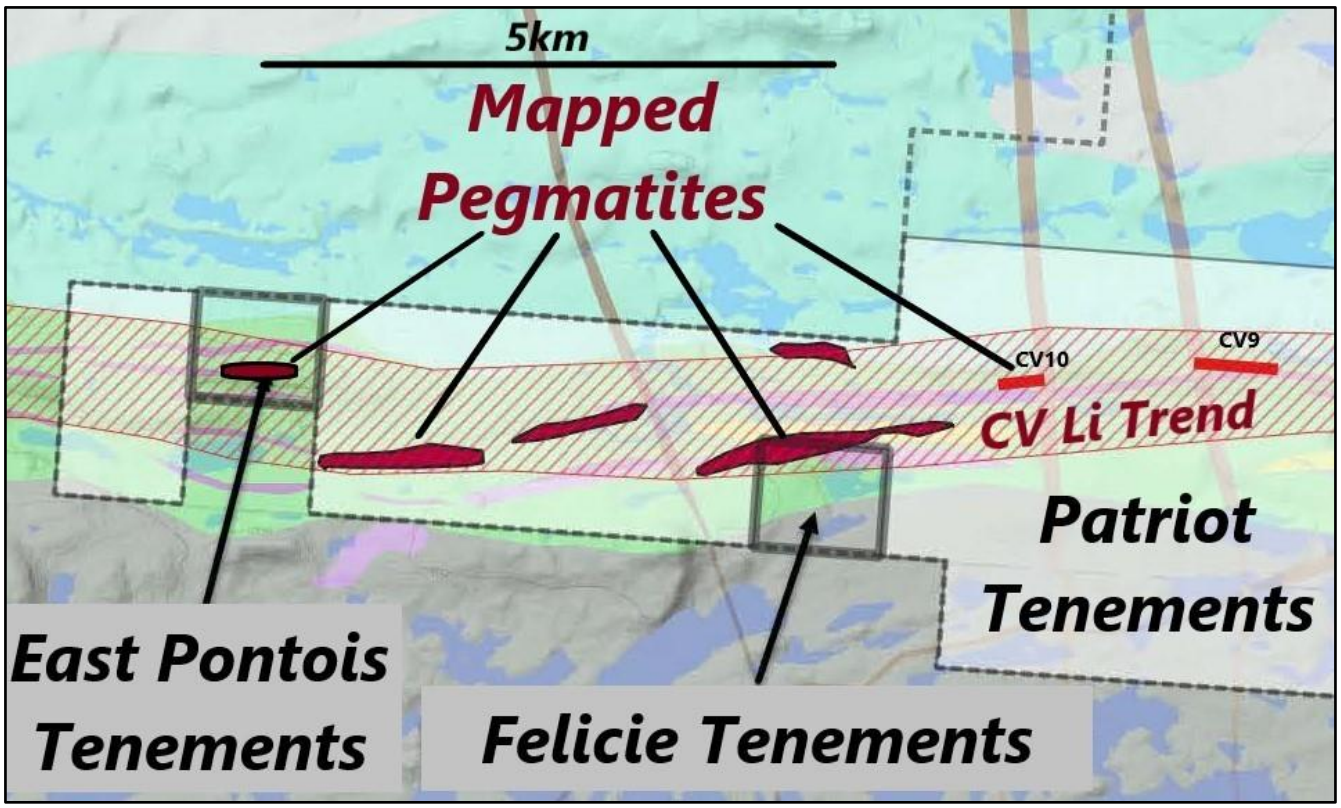

Figure 2: Metals Australia East Pontois and Felicie properties with mapped pegmatites on the CV Lithium Trend

The Company has also completed remote-sensing satellite (Aster) data interpretation over its tenements and the adjoining CV lithium trend in the Patriot Battery Metals' tenements (Figure 3).

The Aster imaging identified the T1 and T2 lithium-pegmatite targets on the Felicie property, where a large pegmatite has been mapped, as well as the T3 and T4 lithium pegmatite targets on the East Pontois property.

The spectral patterns of the Metals Australia targets are similar to the identified lithium-pegmatites in the CV lithium Trend in the Patriot Battery Metals tenements along strike (Figure 3).

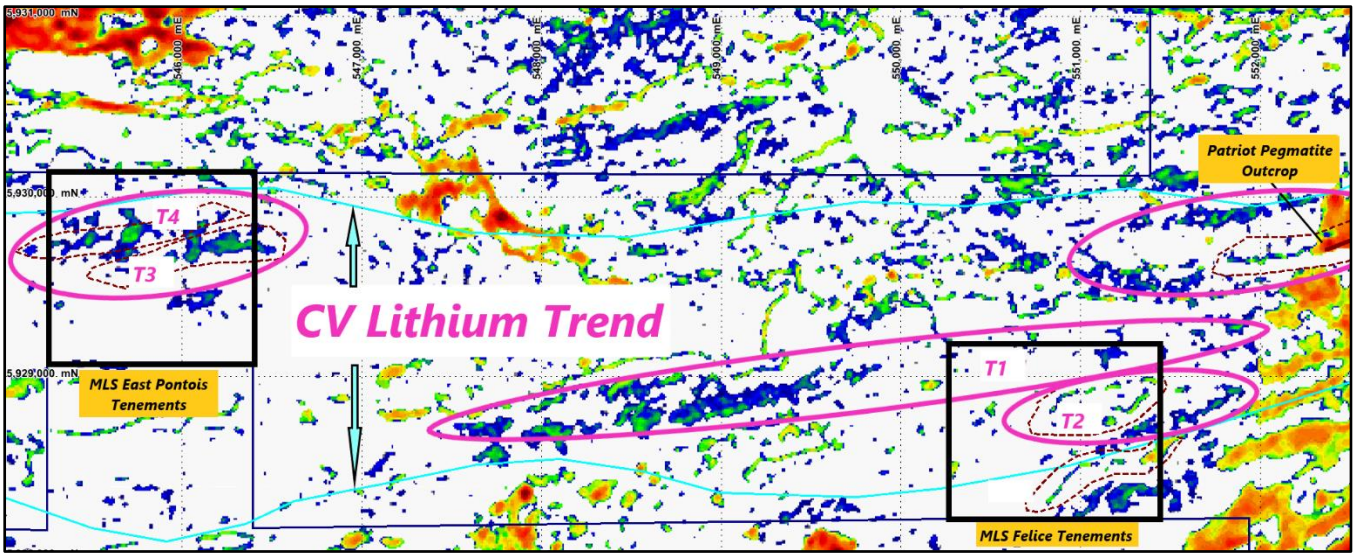

Figure 3: Metals tenements with lithium-pegmatite targets derived from remote-sensing (Aster) spectral Imagery

The next phase of exploration will include a detailed prospecting program during the northern summer field season (May-August) to map and **sample the potentially lithium-bearing pegmatites on the Metals Australia tenements.** This program will allow the Company to **prioritise drilling-targets to test the outstanding lithium potential which has been identified** during the northern winter drilling season (Q4).

This announcement was authorised for release by the Board of Directors.

*****ENDS*****

For further information, please refer to the Company's website or contact:

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ABOUT METALS AUSTRALIA

Metals Australia is an active exploration and mining development company listed on the Australian Securities Exchange (ASX: MLS) with a high-quality portfolio of battery minerals/metals and gold projects in the well-established mining provinces of Australia and Canada. Metals' strategy is to create shareholder value through exploration-discovery and development of advanced battery minerals/metals projects.

The Company's flagship **Lac Rainy Graphite Project** is located in a major graphite province in Quebec, Canada. Lac Rainy hosts a JORC-2012 Mineral Resource of **13.3Mt @ 11.5% graphitic carbon (Cg)** (including Indicated: 9.6Mt @ 13.1% Cg and Inferred: 3.7Mt @ 7.3% Cg)[4], which is one of the highest grade in the region and has potential for major resource growth through further drilling. Metallurgical test work has generated high-grade **flotation concentrate results of up to 97% graphitic carbon (Cg)[5]**. A bulk concentrate sample despatched to Germany has **produced premium battery grade 99.96% Cg purity spherical graphite[6]**. Electrochemical battery test work is in progress to determine charging qualities and durability of the Lac Rainy spherical graphite for use in lithium-ion battery applications for the Electric Vehicle (EV) industry.

The Company has also identified **outstanding lithium potential on its 100%-owned East Pontois and Felicie tenements located within the Patriot Battery Metals Inc.'s (ASX:PAT) Corvette Lithium Project, also in Quebec,** Canada[1,2]. Large, potentially lithium bearing pegmatites have been identified on the Metals Australia tenements and field mapping and sampling to prioritise drilling targets is set to commence.

In Western Australia, Metals Australia holds an 80% interest in the **Manindi Lithium/Base Metals Project,** located approximately 500km northeast of Perth. The project has an existing high-grade zinc with copper resource. The Company has also been **drilling and defining the project's high-grade lithium pegmatite potential** and plans a metallurgical program on bulk samples from recent diamond drilling[7]. The Company has also **identified an intrusive related vanadium-titanium with Ni-Cu-Co sulphides discovery**[8].

Metals Australia also has an 80% interest in Payne Gully Gold which includes the **Warrambie, Tennant Creek and Murchison Projects[9,10]**, giving the Company additional exposure to a suite of prospective battery metals and gold assets in known mineral provinces in Western Australia and the Northern Territory**.**

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This document contains forward-looking statements concerning Metals Australia 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 Metals Australia 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 PERSON STATEMENT

The information in this report that relates to exploration results, Mineral Resources and Exploration Targets has been reviewed, compiled and fairly represented by Mr Jonathon Dugdale. Mr Dugdale is a Technical Advisor to Metals Australia Ltd and a Fellow of the Australian Institute of Mining and Metallurgy ('FAusIMM'). Mr Dugdale has sufficient experience, including over 35 years' experience in exploration, resource evaluation, mine geology and finance, relevant to the style of mineralisation and type of deposits under consideration to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee ('JORC') Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves. Mr Dugdale consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

In preparing this announcement the Company has relied on the announcements previously made by the Company as listed under "References". The Company confirms that it is not aware of any new information or data that materially affects those announcements previously made, or that would materially affect the Company from relying on those announcements for the purpose of this announcement.

REFERENCES

[1] *Patriot Battery Metals Inc. (TSXV:PMET). Corporate Presentation, September 2022.*

[2] *Patriot Battery Metals Inc. (TSXV:PMET). 18/01/23. Patriot drills highest grade lithium drill intercept to date – 156.9m interval of 2.12% Li_2O, including 25.0 m of 5.04% Li_2O – at the CV5 Pegmatite, Quebec, Canada.*

[3] *Rémi Charbonneau - Inlandsis Consulting, Report GM 63291, 2006*

[4] *Metals Australia Ltd, 15 June 2020. Metals Australia delivers High Grade Maiden JORC Resource at Lac Rainy.*

[5] *Metals Australia Ltd, 30 June 2020. Metallurgical Testing Confirms Lac Rainy Graphite High Purity and Grade.*

[6] *Metals Australia Ltd, 28 February 2023. Battery rade 99.96% Spherical Graphite for Lac Rainy.*

[7] *Metals Australia Ltd (ASX:MLS), 19 July 2022. Exceptional Lithium Pegmatite Intersections at Manindi.*

[8] *Metals Australia Ltd (ASX:MLS), 29 September 2022. High Grade Titanium-Vanadium-Fe Intersection at Manindi.*

[9] *Metals Australia Ltd (ASX:MLS), 16 June 2022. Metals Australia to Acquire Key Battery Metals Projects.*

[10] *Metals Australia Ltd (ASX:MLS), 07 November 2022. EM Anomalies - Nickel Sulphide Targets at Warrambie.*

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	No drilling completed to date. Rock-chip samples will comprise multiple chips considered to be representative of the horizon or outcrop being sampled. Samples submitted for assay typically weigh 2-3 kg. Continuous channel sampling of trenching ensures the samples are representative. Entire 2-3 kg sample is submitted for sample preparation. Channel samples (where collected) and rock chip samples (where collected) were collected by Quebec Government Survey Geologists.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	No drilling completed.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between*	Not applicable.

Criteria	JORC Code explanation	Commentary
	sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	All trenches sampled are logged continuously from start to finish with key geological observations recorded. Logging is quantitative, based on visual field estimates. Geological logging was completed by Quebec Government Survey Geologists.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	Sample preparation follows industry best practice standards and is conducted by internationally recognised laboratories, at ALS Laboratories in Quebec. Oven drying, jaw crushing and pulverising so that 85% passes 75 microns. Blanks have been submitted every 50 samples to ensure there is no cross contamination from sample preparation. Measures taken include (a) systematic sampling across whole target zone; (b) comparison of actual assays for blanks with theoretical values. Sample size (2-3 kg) accepted as general industry standard. Sample collection process, techniques and sample preparation was completed by Quebec Government Survey Geologists.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*	Assay and laboratory procedures have been selected following a review of techniques provided by internationally certified laboratories. In addition, the sample preparation laboratory in Quebec is regularly visited to ensure high standards are being maintained. Samples are submitted for multi-element analysis by ALS Laboratories. Where results

Criteria	JORC Code explanation	Commentary
	• *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e., lack of bias) and precision have been established.*	exceeded upper detection limits, samples are re-assayed. The final techniques used are total. None used. Barren granitic material is submitted as a control. Comparison of results indicates good levels of accuracy and precision. No external laboratory checks have been used. Assay data collection and laboratory procedures were prescribed by Quebec Government Survey Geologists.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	None undertaken. Not applicable. All field data is manually collected, entered into excel spreadsheets, validated and loaded into an approved Quebec-Government database. This was all monitored and controlled by Quebec Government Survey Geologists. None required.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	All trench start points and geochemical samples are located using a hand held GPS. Trenches are surveyed using hand held compass and clinometer. The grid system used is NAD. Government data on topographic datasets are used initially, however, these will be updated if DGPS coordinates are collected.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.*	Only reconnaissance trenching and sampling completed – spacing variable and based on outcrop location and degree of exposure. This was all monitored and controlled by Quebec Government Survey Geologists. Not applicable.

Criteria	JORC Code explanation	Commentary
	• *Whether sample compositing has been applied.*	None undertaken.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	Sampling completed at right angles to interpreted trend of target rock formations and targeted units. None observed.
Sample security	• *The measures taken to ensure sample security.*	Quebec-Government geological team supervises all sampling and subsequent storage in the field. The same geological team delivers the samples to ALS Laboratories in Quebec.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	None completed.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	Metals Australia Limited owns 100% of Quebec Lithium Ltd which owns the Eade, Pontois and Felicie Projects. There are no other material issues affecting the tenements and all tenements have been legally validated as to the good standing nature of the claims.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	Historical exploration and government mapping records multiple gold-silver-copper-molybdenum mineralised zones within the project areas but no other data is available. Previous exploration has been completed on a limited basis with mapping, selected rock chip sampling and selected channel sampling by Quebec Government Survey Geologists.
Geology	• *Deposit type, geological setting and style of mineralisation.*	Geologically, the projects are located in the north-eastern sector of the Superior Province and straddle the boundary of the La Grande and Opinaca geological sub-provinces. Together, the projects include approximately 20km of an east-west trending volcano-sedimentary belt. The greenstone sequence is variable, containing basalt, ultramafic, felsic volcanics and sediments. This provides rheological contrasts that can cause strain partitioning and focusing of gold bearing fluids. The projects are also close to the margin of a granite which has controlled regional scale east-west shearing. The greenstone belt contains multiple gold occurrences that indicate prospectivity for gold and base metals mineralisation. This is supported by the reported widespread distribution of low-grade sulphide mineralisation (possibly due to alteration) at the Felice Gold Project. Sulphide occurrences are aligned in an east-west direction along the main

Criteria	JORC Code explanation	Commentary
		regional shear zones to the north and south of the granite. Pegmatite occurrences have been noted in previous reports and will be the focus of ongoing exploration.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		No drilling exists.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g., cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	Gold and base metals intercepts are calculated on a per sample basis according to the results from the laboratory with no bottom cut-off grade and no top cut-off grades. Short intervals of high grade that have a material impact on overall intersection are highlighted separately. This was all monitored and controlled by Quebec Government Survey Geologists. None reported.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a*	The relationship between true widths and the width of mineralised zones intersected in trenching has not yet been determined due to lack of structural data (i.e. dip).

Criteria	JORC Code explanation	Commentary
	clear statement to this effect (e.g. 'down hole length, true width not known').	
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Refer to the diagrams included in the body of this announcement.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	Results for all sampling completed are listed in the body of this report. This was all monitored and controlled by Quebec Government Survey Geologists.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	All meaningful and material data is reported.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Detailed compilation of previous exploration including a review of previous exploration reports, a search for geophysical data and creation of a GIS database; North-south traverses of geological mapping and rock chip sampling over identified pegmatite occurrences; Soil/till sampling of priority targets; Channel sampling; and drill testing of priority targets.