

ASX ANNOUNCEMENT | 28 March 2023

ASKARI METALS COMPLETES RARE EARTH ELEMENT EXPLORATION PROGRAM BARROW CREEK PROJECT, NT



HIGHLIGHTS

- Askari has completed a Rare Earth Element (REE) specific field reconnaissance program at the Barrow Creek Project located in the Arunta Pegmatite Province of Central Northern Territory
 - o field program was designed to follow up on the highly prospective REE zones identified during a previous field program
 - o the Barrow Creek Project is highly prospective for REE mineralisation and is located within 40km of the Nolans Bore Rare Earth Project owned by Arafura Resources Limited hosting a JORC (2012) Mineral Resource of 56Mt @ 2.6% TREO (*refer to <https://www.arulld.com/projects/nolans>*)
 - o the Barrow Creek Project hosts geology which is analogous to the Nolans Bore project
- Results from the South-Central field program previously completed by the Company identified Total Rare Earth Oxide (TREO) values of up to 4,553 ppm TREO
 - o other TREO results from this phase of work included:
 - 2,143 ppm TREO, 1,243 ppm TREO, 1,235 ppm TREO and 1,091 ppm TREO
- The potential for REE mineralisation at Barrow Creek is significant and complements the lithium potential of the project area
 - o further follow-up exploration programs are also planned

Askari Metals Limited (ASX: AS2) (“Askari” or “Company”) is pleased to announce the completion of a field reconnaissance program on the Company’s 100% owned Barrow Creek Lithium Project located in the Arunta Pegmatite Province of Central Northern Territory.

This phase of work targeted an area in the south-central part of the Barrow Creek Project where significant results up to 4,553ppm TREO were received from rock samples collected by the Company during a previous field exploration program (*[refer to announcement dated 25 January 2023](#)*).



The highly anomalous REE results are very encouraging, especially at a time when the world is facing REE supply deficits and supply chain issues.

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

“This field exploration program has been designed to test the potential of the extraordinary REE results identified during our previous work phase and will conduct close-spaced sampling and mapping around the trend of anomalous values. This area has not been tested for REE potential in the past, and we eagerly await the results from this exciting phase of work.

We look forward to providing our shareholders with further updates as our exploration activities continue.”

South-Central Area

The northern portion of the south central area, near the highway, was investigated by the Company, identifying a large pegmatite field. The mineralogy of these pegmatites consists of potassium feldspar, plagioclase, muscovite and tourmaline being common. The southern part of the work area is covered by the sandstones and sediments of the Central Mount Stuart Formation and no prospective pegmatites were found.

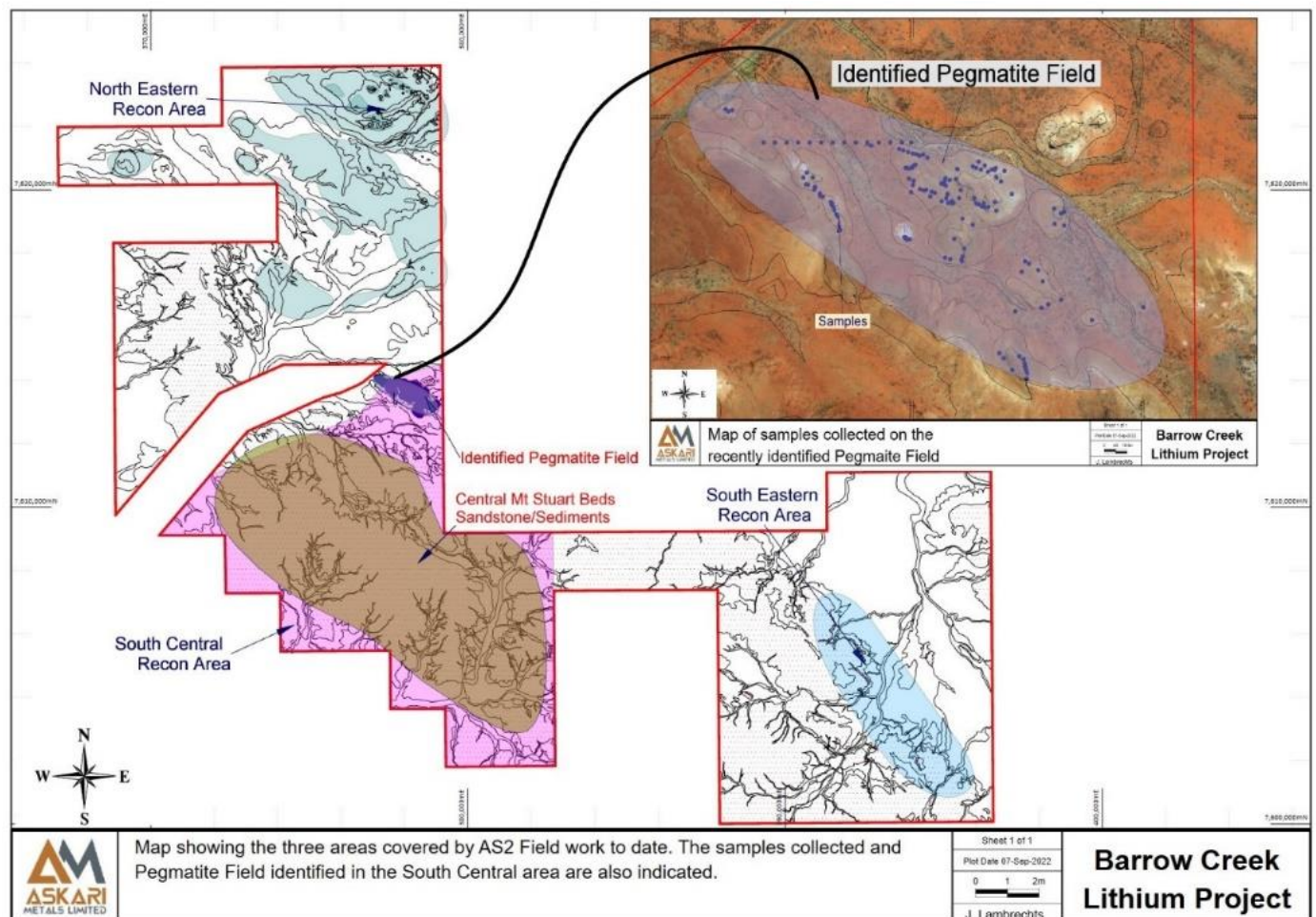


Figure 1: Map showing the South-Central work area and an infill of the Pegmatite field identified in the north of the work area

Figure two depicts the TREO sample results obtained from the south-central field program. The anomalous REE (TREO) sample results are clustered around two large granite outcrops. Other samples with elevated TREO results above 500 ppm TREO were also found farther afield, signifying the potential for enlarging the REE mineralised footprint through follow-up phases of work.

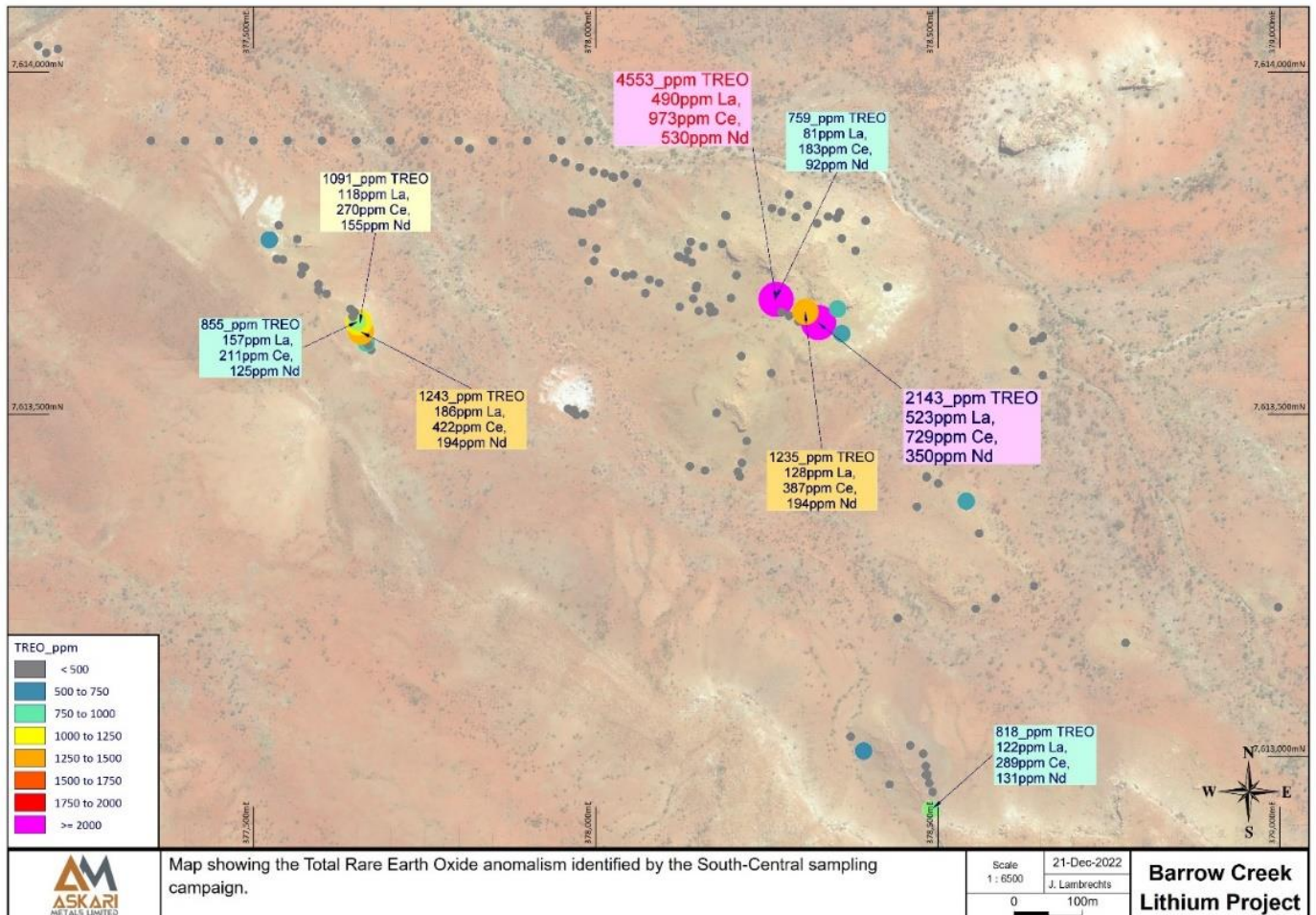


Figure 2: Map showing the Total Rare Earth Oxide (TREO) results from the south-central work program completed on the Barrow Creek Project

The TREO formulae used is: TREO (Total Rare Earth Oxide) = La2O3 + Ce2O3 + Pr2O3 + Nd2O3 + Sm2O3 + Eu2O3 + Gd2O3 + Tb2O3 + Dy2O3 + Ho2O3 + Er2O3 + Tm2O3 + Yb2O3 + Y2O3 + Lu2O3.

Reconnaissance and Sampling

There has not been historic mining or exploration activity targeting REEs in this area.

The contemporary ionic clay REE deposit setting, whereby an economic accumulation of REEs have weathered and eroded from a typically granitic source rock, concentrating the liberated elements in association with the clays which have settled locally, appears to be not well suited to the Arunta L-C-T field.

A more complicated carbonatite or alaskite-type setting is considered more likely, identifying potentially economic Rare Earth Elements occurring at higher concentrations than their ionic clay counterparts, either within or on the contacts of REE-enriched carbonatite or A-type granite intrusive rocks.

At the Barrow Creek project, the Company have identified significantly elevated Rare Earth Element concentrations ([refer to announcement dated 25 January 2023](#)) in association with discrete pegmatite

outcrops mapped on the flank of massive outcrops of granite. The outcrops are interpreted to occur over a linear magnetic-structural trend, suggesting potential for an REE-enriched source rock at shallow depth. The presence of alaskite-type intrusive rocks is documented locally, with carbonatites also identified in other parts of the Arunta Block (e.g. Nolan Bore).

The Heavy Rare Earth Element (HREE) results are high when compared to typical REE mineral systems. The Rare Earth anomaly identified by the Company occurs within discrete structural corridors and are surrounded by massive granite with no apparent structure. Two linear zones were interpreted over a strike length of ~1.5 - 2km, based on interrogation of the assay dataset.

The recently completed field program aims to conduct a detailed geological mapping, rock chip and gridded soil sampling program over the defined anomaly area, and extensional rock chip and gridded soil sampling along the interpreted length of the structural corridor.



Figure 3: Outcrop exposure showing thick haematite coatings. An isoclinal fold hinge was mapped at this outcrop

Future Work

Future work phases for the Barrow Creek Project will be designed based on the results of the current mapping, sampling and reconnaissance phase of the project.

This announcement is authorised for release by the executive board

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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.



Barrow Creek Lithium Project, Northern Territory (AS2 – 100%)

The Barrow Creek Lithium Project (**BCL Project**) is located in the Northern Arunta Pegmatite Province of Central Northern Territory, with the Stuart Highway cutting across the project. The BCL Project is also located within 20 km of the Central Australia Railway line, which links Darwin and Adelaide, thereby providing additional transportation options for the future development of the BCL Project.

The project covers 278km² within the highly prospective Northern Arunta Pegmatite Province, known for hosting extensive pegmatites and is highly prospective for Spodumene dominated hard-rock Lithium mineralisation.

The BCL Project is surrounded by tenements associated with Core Lithium Limited (ASX: CXO) and Lithium Plus and is proximal to several known Lithium-Tin-Tantalum occurrences. These also share similar geological settings with the BCL Project. Highly fractionated pegmatites have been mapped and documented in government reports in this region, but limited exploration has been undertaken in the BCL Project area.

The project’s location, its under-explored nature and the numerous mineralised occurrences nearby point to significant exploration upside for the BCL Project.

The pegmatites of the Barrow Creek Pegmatite Field have yielded historical discoveries of Sn-Ta-W; however, before investigation by government geologist Frater in 2005, no historical exploration had considered the potential for Lithium (Li) mineralisation. Structures most likely associated with numerous W to NW trending faults interpreted from geophysical data and mapped by Bagas and Haines (1990), Haines et al. (1991), and Donnellan (2008) also impact the mineralisation potential of the area positively. A potential crustal-scale structure interpreted through the region may also act as a fluid pathway and conduit for a heat engine.

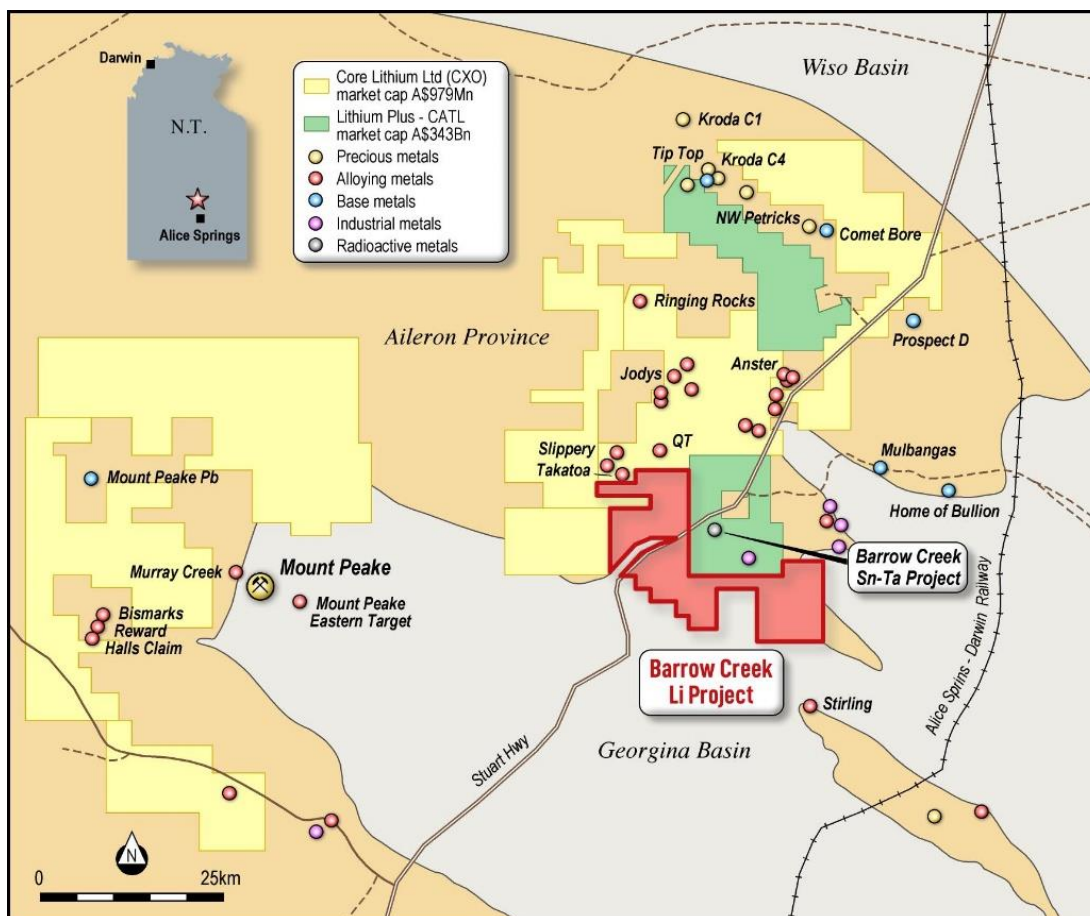


Figure 4: Simplified location map with known Lithium-Tin-Tantalum occurrences around the Barrow Creek Lithium Project (red)