**ASX ANNOUNCEMENT** **29th March 2023**

# *Drilling Confirms 3km of LCT Pegmatites Strike at Youanmi*

# *"Amended"*

- **RC drilling at Youanmi has confirmed shallow east dipping LCT pegmatites along 3km of strike**
- **Drilling has intersected pegmatites at a depth of 175 metres below surface and these remain open down dip**
- **Pegmatites intersected in previously untested parallel zones to the east and west extending the width of the pegmatite corridor to 850 metres in the central area**
- **First assays expected early to mid April**
- **Encouraging initial observations have expedited follow up and infill RC drilling to recommence late March**
- **Recent drilling is supported by significant historic shallow RC drilling which targeted high-grade rock chip results (max. 4.22% $Li_2O$) in LCT pegmatite outcrop including:**
    - ***8m @ 1.39% $Li_2O$ from 8m***
    - ***6m @ 1.61% $Li_2O$ from 22m***
    - ***7m @ 1.42% $Li_2O$ from 20m***
    - ***7m @ 1.38% $Li_2O$ from 0m***
    - ***6m @ 1.64% $Li_2O$ from 11m***
    - ***6m @ 1.35% $Li_2O$ from 62m***
- **Additional near-term exploration activity planned including geological mapping, soil geochemistry, RC/Diamond drilling of lithium targets and XRD mineral analysis**

Scorpion Minerals Limited (ASX:SCN) (**Scorpion**, **SCN** or **the Company**) is pleased to advise that following the recent completion of the Reverse Circulation (RC) drilling programme at its recently acquired Youanmi Lithium Project (**Youanmi**) in Western Australia, initial observations from the programme have **confirmed shallow east dipping LCT pegmatites along 3km of strike, and mineralisation extends to a minimum of 175m below surface.**

The highly prospective Youanmi Project comprises E57/978, E57/1049, E57/1056 and E57/1377 (the **Tenements**) and covers an area of 279km$^2$ located 450km northeast of Perth in the East Murchison Mineral Field (Figures 6 and 8).

**Company Comment – Executive Chairman Bronwyn Barnes**

*"We are very encouraged by these initial observations from our maiden drill campaign at Youanmi. Drilling has confirmed the thickness of the mapped LCT pegmatites and has intersected mineralisation at a depth of 175m which is deeper than we initially anticipated.*

*We have now extended the lithium corridor at Youanmi to over 850m which provides us with significant momentum as we scale up our drilling and exploration efforts in the region. Youanmi is a highly strategic asset for Scorpion and we look forward to providing regular updates on exploration progress as we continue to unlock further value."*



SCORPION MINERALS LIMITED

ABN 40 115 535 030
24 Mumford Place
Balcatta WA 6021

**T**: +61 8 6241 1877
**F**: +61 8 6241 1811

www.scorpionminerals.com.au

**RC Drilling Extends Depth and Width of LCT Pegmatites at Youanmi**

The RC drill programme at Youanmi comprised 9 holes (SYRC001 to SYRC009) for 1,476 metres. Drilling confirmed mineralisation extends down dip of multiple stacked shallow east dipping LCT pegmatites that are oriented sub-parallel to the granite contact. Parallel pegmatites intersected east and west of the central zone have increased the width of the corridor to at least 850 metres (Figures 1 to 4).

**Individual pegmatites are up to 1,000m long and surface exposures suggest widths from 5m to 15m. Drilling intersected pegmatites up to 10 metres in thickness.**

In addition, field reconnaissance and air photo interpretation has identified multiple target areas that require follow up mapping, sampling and RC drill testing (Figure 5). A single line of historic wide spaced RAB drilling targeting base metals intersected two pegmatites at the southern end of the present target area about 1000 metres west of the pegmatite outcrop.

This is interpreted to be another parallel zone of stacked LCT pegmatites and will be RC drill tested in a programme commencing late March.

**Pegmatite Mineralogy**

Exploration at Youanmi and in the broader region has confirmed the presence of lepidolite, petalite and possible spodumene suggesting the presence of zonation within the LCT pegmatites either across their width and/or along strike. Future exploration will focus on determining the zonation trend to identify high priority targets. Several samples were collected from the recent RC drilling for qualitative XRD mineralogical analysis. Logging of the recent RC drilling did not confirm lepidolite as the dominant mineral and it is interesting to note that high historic lithium assays are recorded in lepidolite poor intervals (Figures 3 and 4).

**Youanmi Lithium Project - Historic Exploration Summary**

Historic exploration was outlined in ASX releases dated 9 December 2022 and 6 February 2023. Youanmi sits at the northern end of a 20km long corridor of Lithium, Caesium, Tantalum ("LCT") pegmatite intrusions that have delivered significant results for other explorers at the southern end of the trend (Figures 3 and 4).

Limited historic exploration at Youanmi included, geological mapping, rock chip sampling, airborne magnetic surveys and RC drilling. Geological mapping has identified a 3km long zone of intermittent outcropping LCT pegmatites located about 1km east of a contact between a late-stage granite and the Youanmi Layered Mafic Complex.

RC drill testing at Youanmi consisted of 54 holes (19MYRC005 to 19MYRC058) drilled in wide spaced fences along the 3km long zone with the majority drilled in the southern half of the trend. Significant intercepts included:

- 8m @ 1.39% Li2O from 8m
- 6m @ 1.61% Li2O from 22m
- 7m @ 1.42% Li2O from 20m
- 7m @ 1.38% Li2O from 0m
- 6m @ 1.64% Li2O from 11m
- 6m @ 1.35% Li2O from 62m

Scorpion has been provided all the RC chip trays collected from the historic drill holes, inspected the drill chips and compared them to the historic assays (Figures 3 and 4). The drill chips from the current drilling have been logged, photographed (Figure 7) and compared to the historic drill chips.

It is important to note that exploration by other explorers to the south has identified significant LCT mineralisation in east-west oriented pegmatites. Shallow dipping pegmatite orientation is a characteristic of significant LCT pegmatite systems.

**Next Steps**

Scorpion plans to commence the following work programmes in Q1 2023 and regular updates on progress will be provided:

- Infill RC drilling of existing targets down dip and along strike
- RC drilling of parallel pegmatites to determine extent and composition
- Follow up geological mapping and rock chip sampling (underway)
- High resolution airborne photography if required
- Auger soil geochemistry aimed at identifying additional pegmatites under shallow soil cover
- Initial Diamond drill testing of existing targets at depth
- Airborne and/or Ground EM surveys

*Technical information included in this announcement has previously been provided to the market in releases dated:*

| | |
|---|---|
| *19th December 2022* | *SCN Expands Lithium Footprint – Major Project Acquisition* |
| *6th February 2023* | *Youanmi Lithium Project Drilling Commences* |

This announcement has been authorised by the board of directors of the Company.

***-ENDS-***

**Enquiries**

For more information, please contact:

**Ms Bronwyn Barnes**
**Executive Chairman**
**T +61 (0) 417 093 256**
*info@scorpionminerals.com.au*

**Sam Burns**
**Six Degrees Investor Relations**
**T +61 (0) 400 164 067**

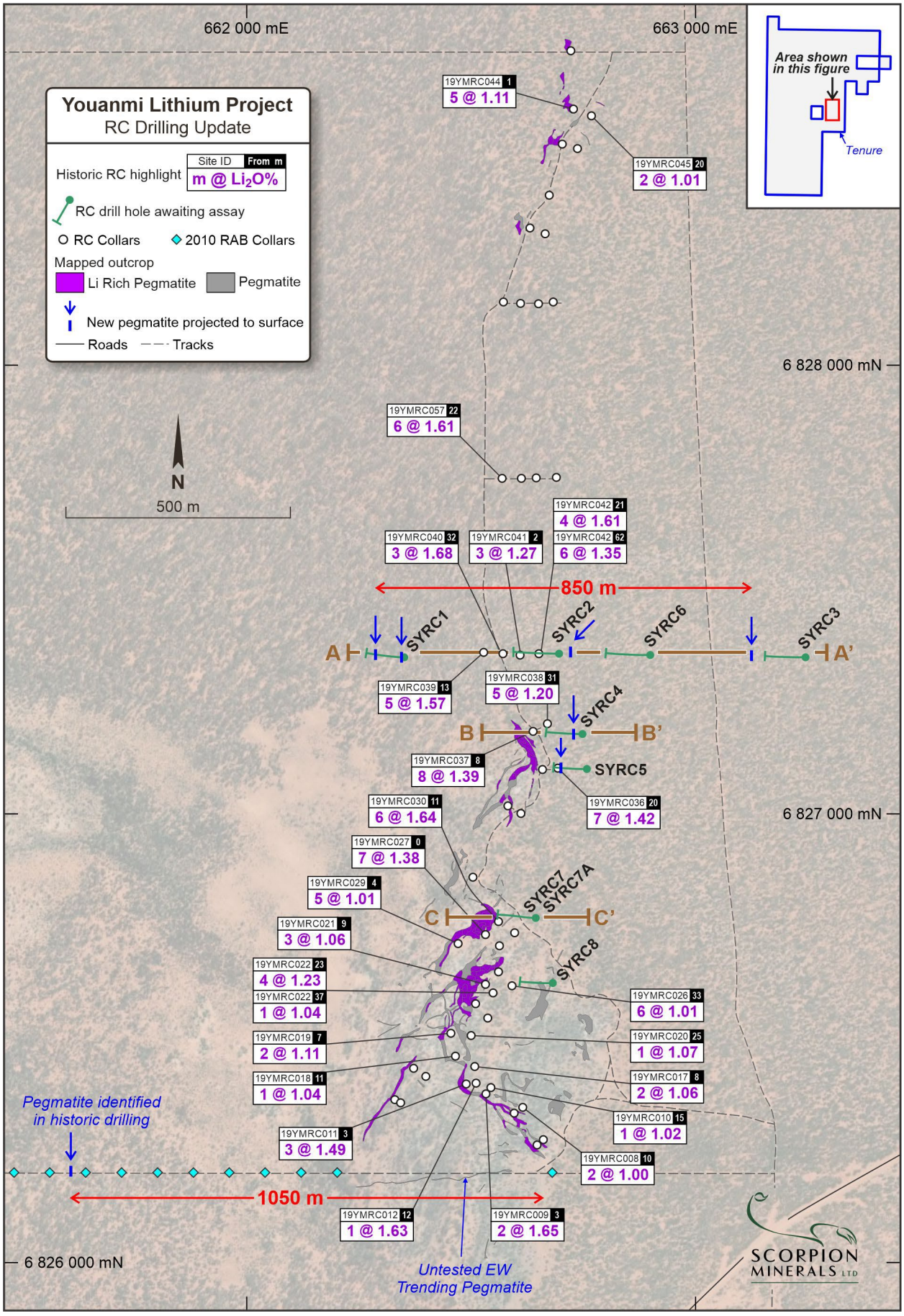



**Figure 1: Plan showing mapped pegmatite outcrop and significant RC Drilling intercepts**

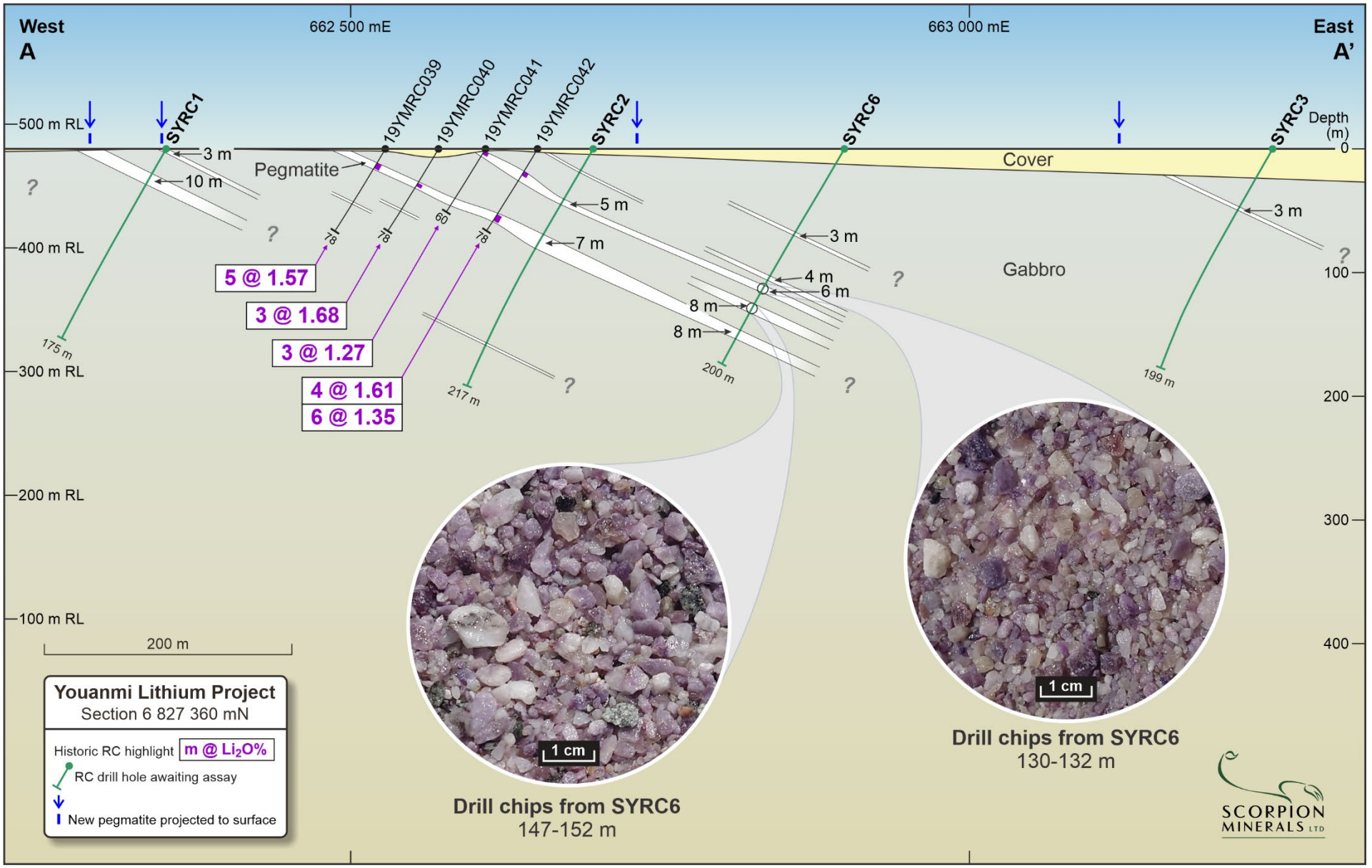
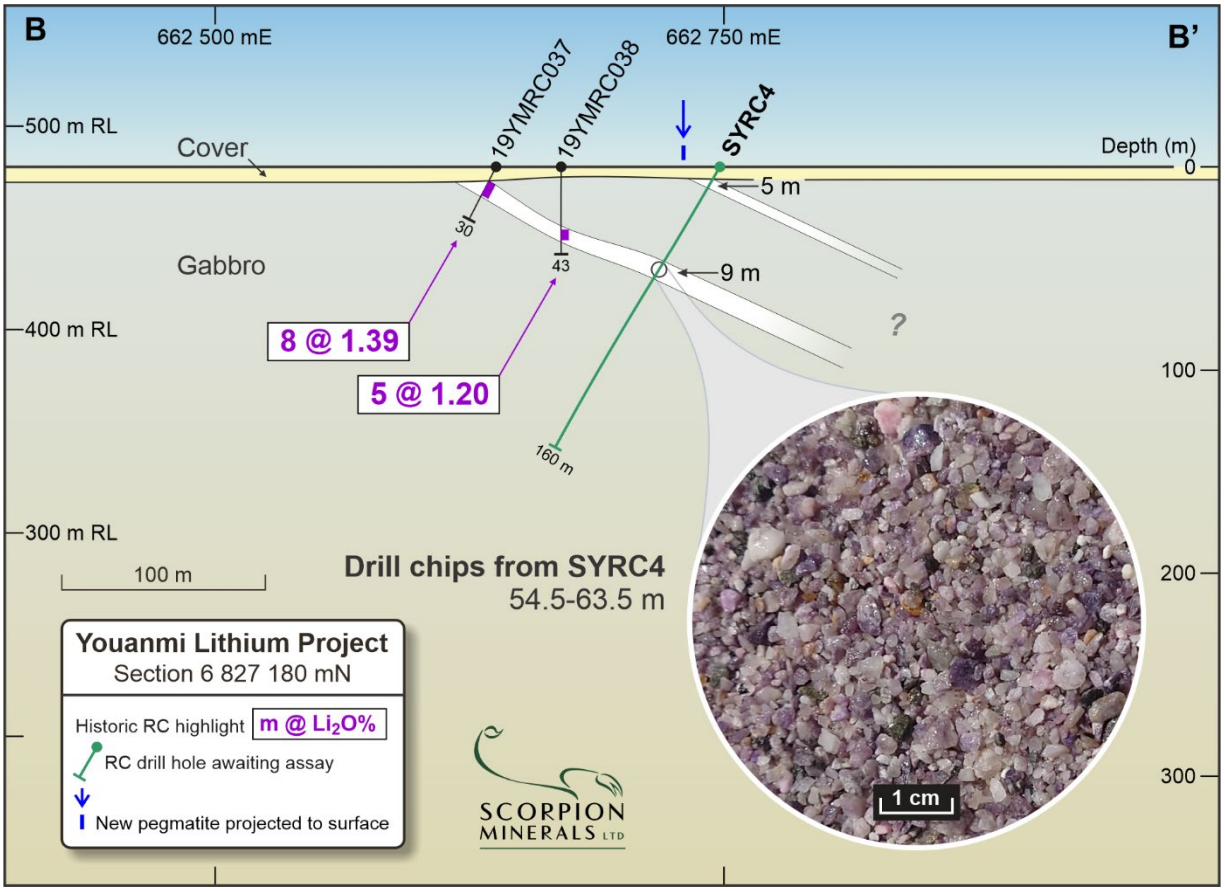



**Figure 2: Cross Sections 6 827 360 mN (A-A'), Showing new drilling and new pegmatite intercepts, and significant $Li_2O$ Drilling Results in Shallow East Dipping Stacked Pegmatites**



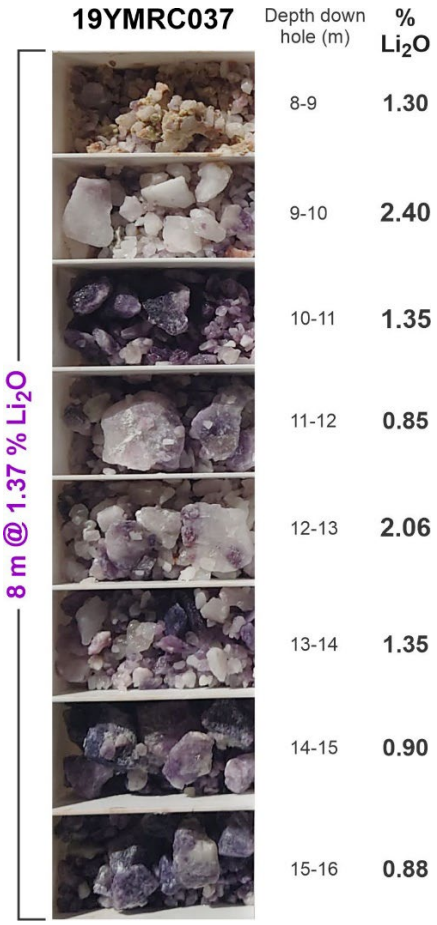
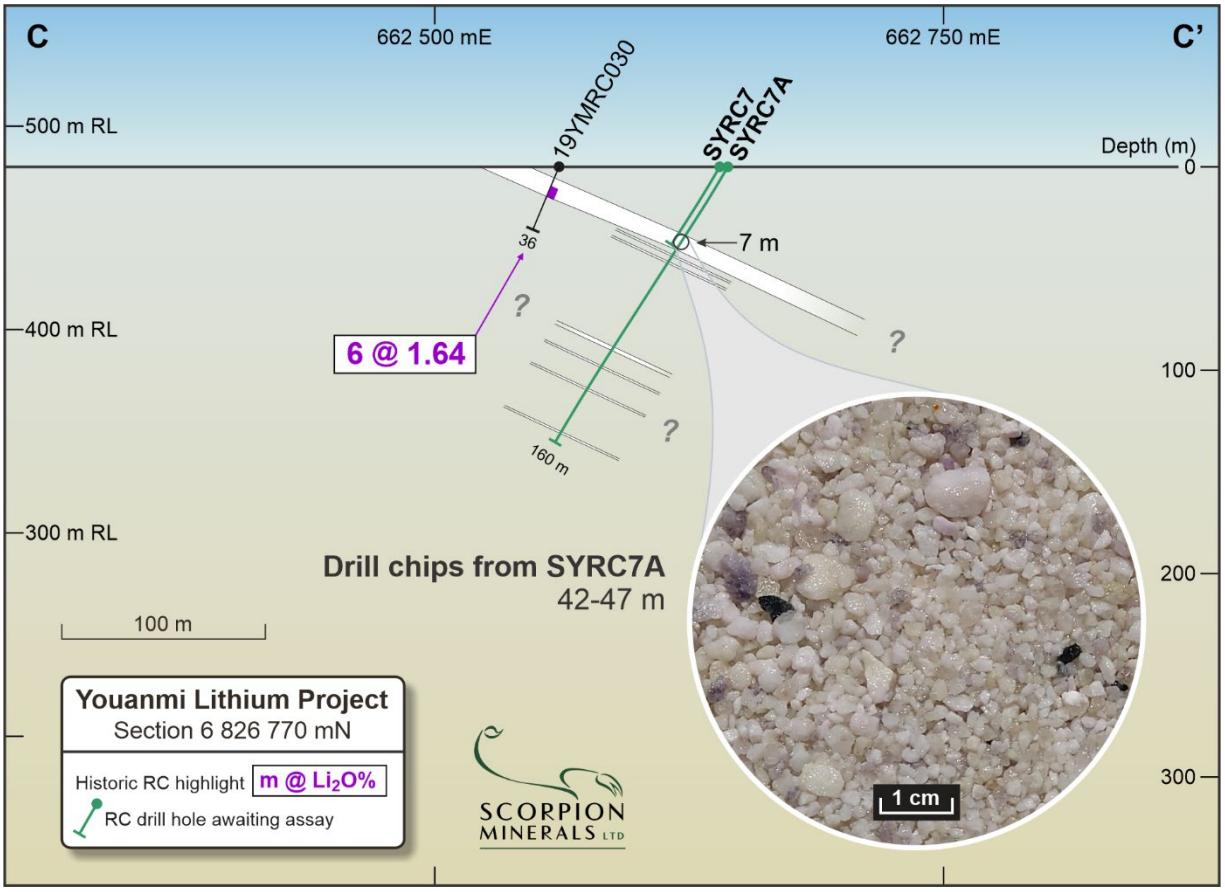




**Figure 3: Above - Cross Sections 6 827 180 mN (B-B'), showing new drilling with pegmatite intercepts. Below – Historic RC drill assays and chip tray photograph.**



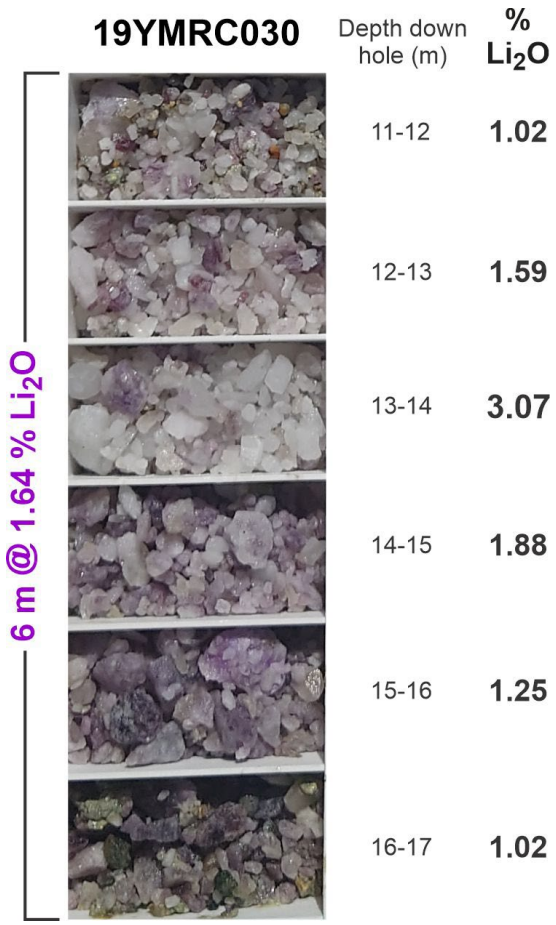




**Figure 4: Above Cross Sections 6 826 770 mN (C-C'), showing new drilling with pegmatite intercepts. Below – Historic RC drill assays and chip tray photograph.**

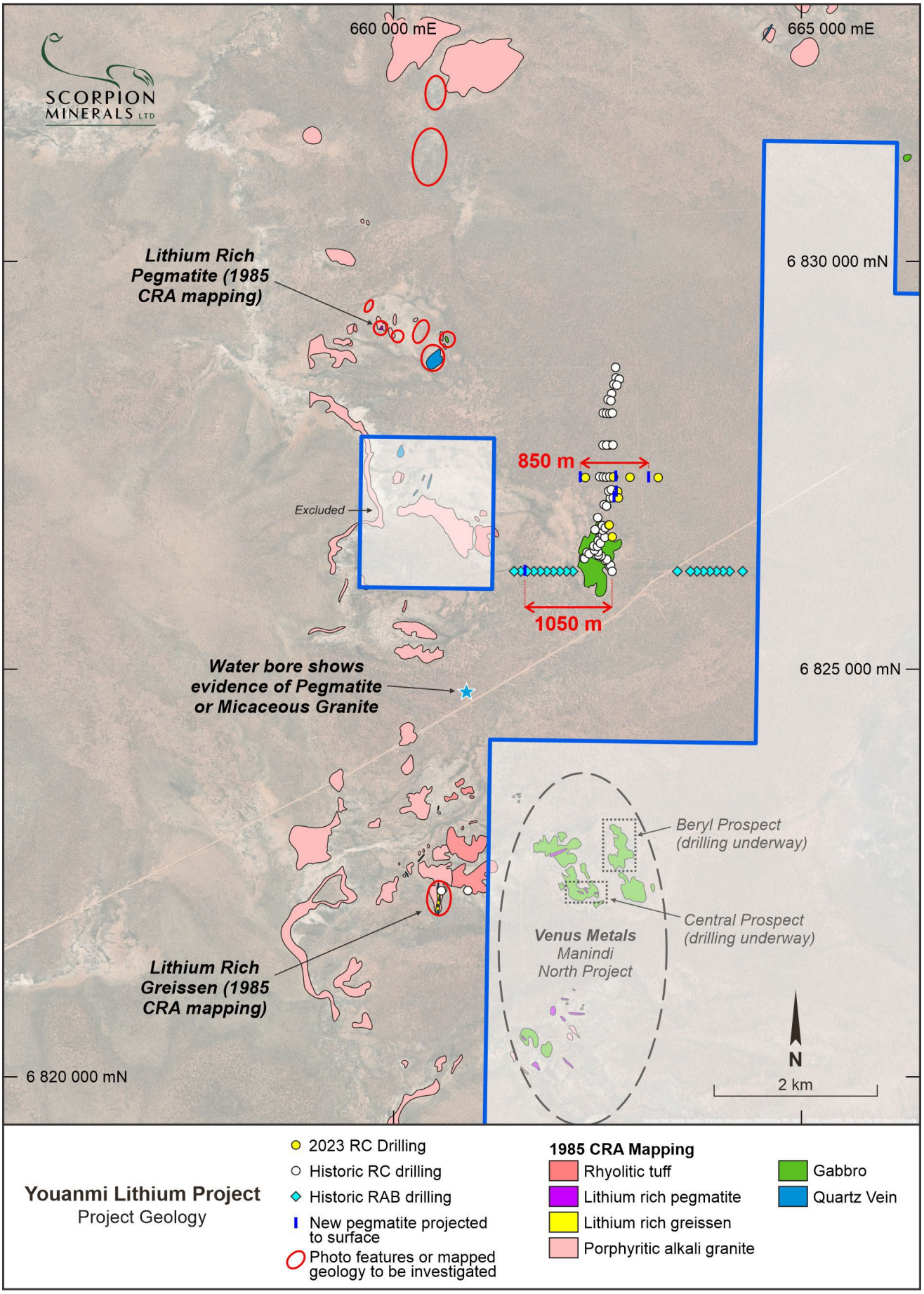



**Figure 5: Regional Geology**

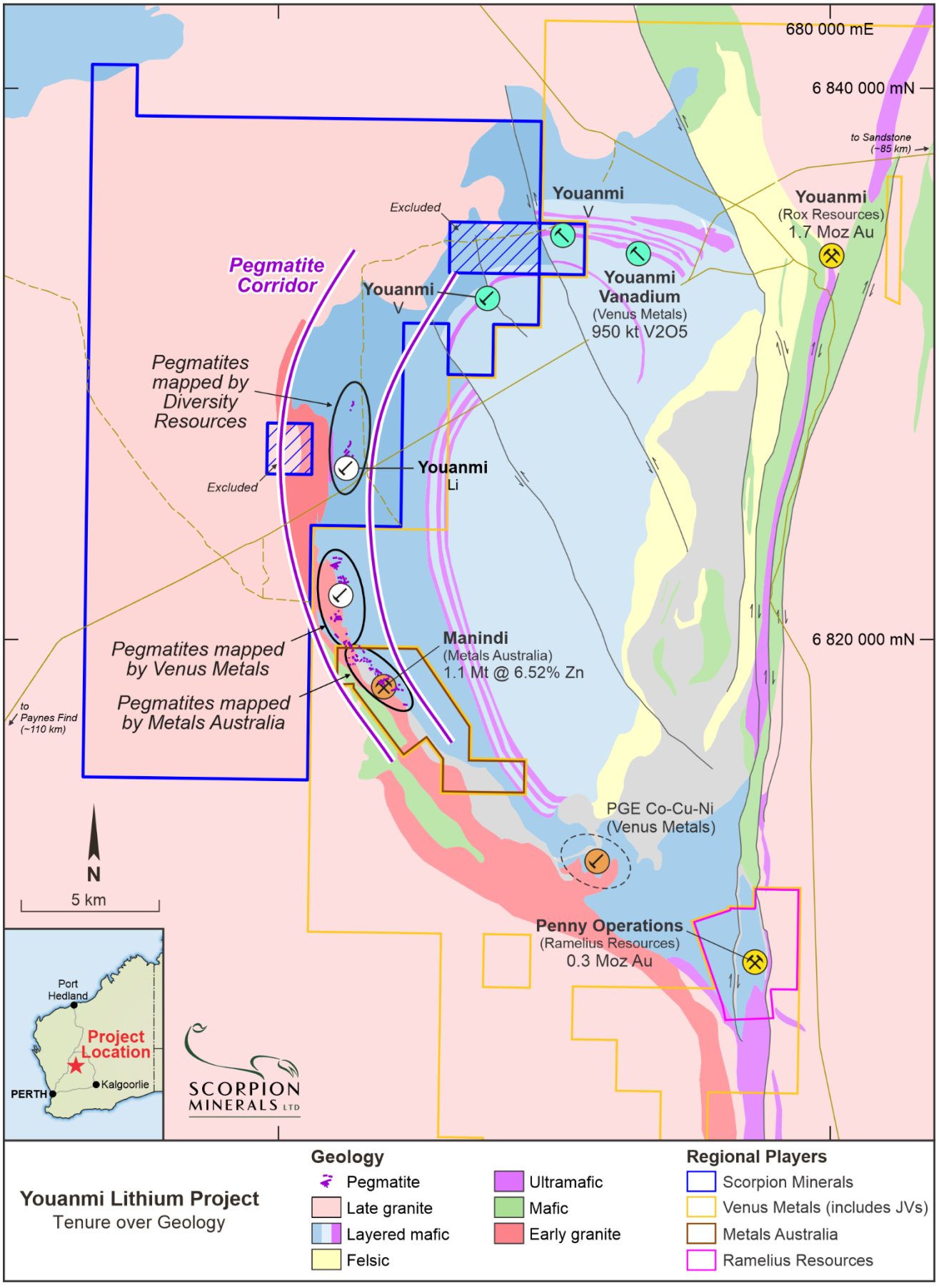



**Figure 6: Plan Showing Tenements over Simplified Geology and Adjacent Explorers**

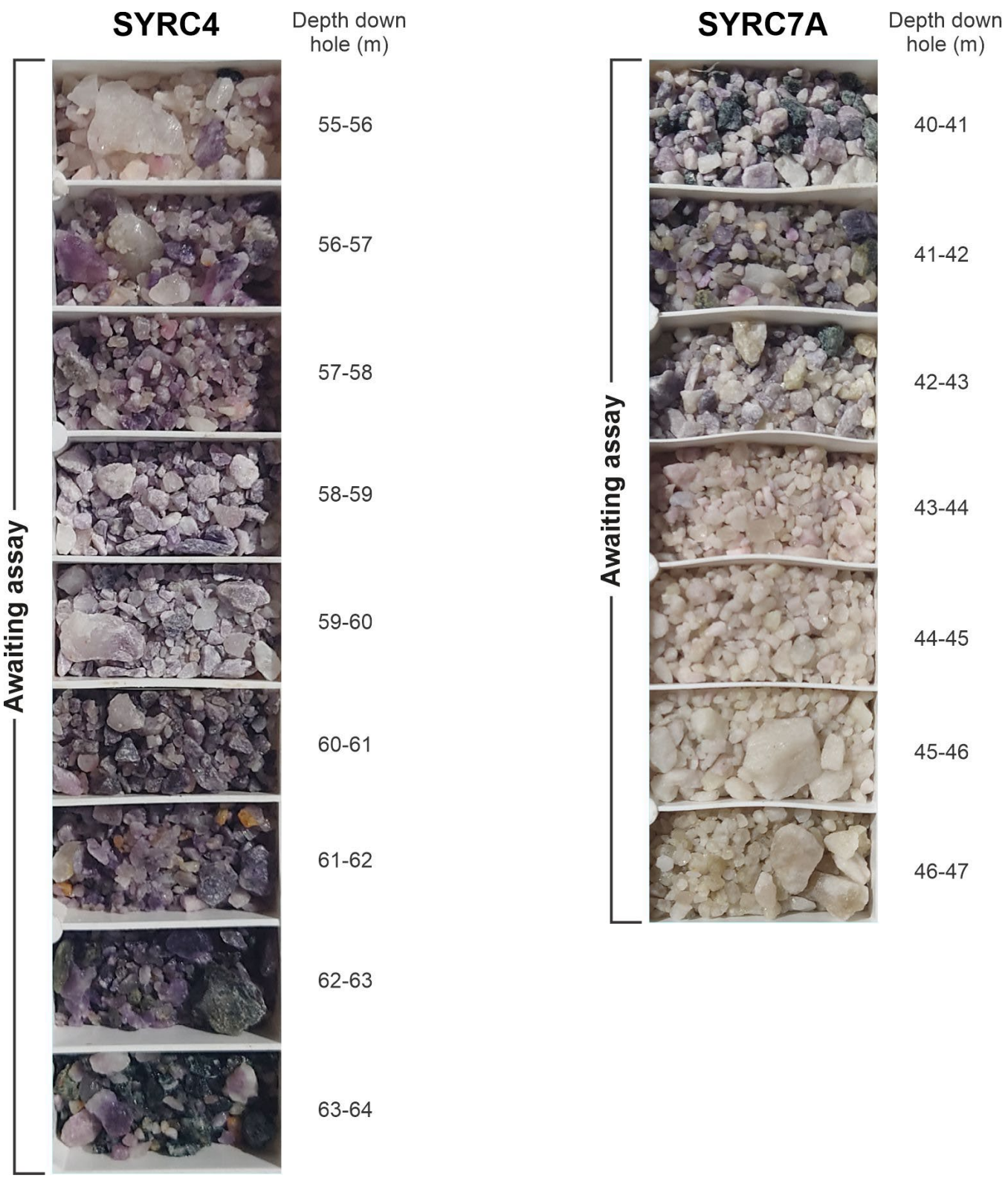



**Figure 7 photographs of chip trays from SYRC4 and SYRC7A**

**Please refer Table 2 and Cautionary Statement on page 12**

**Table 1: Collar locations and pegmatite intervals logged in new RC drilling**

| Hole ID | North | East | RL | Depth | Dip | Azimuth | From | To | Pegmatite Interval |
|---|---|---|---|---|---|---|---|---|---|
| SYRC1 | 6827349 | 662351 | 480 | 175 | -60 | 270 | 0 | 3 | 3 |
| | | | | | | | 10 | 11 | 1 |
| | | | | | | | 23 | 33 | **10** |
| | | | | | | | 35 | 36 | 1 |
| SYRC2 | 6827357 | 662696 | 480 | 217 | -60 | 270 | 20 | 22 | 2 |
| | | | | | | | 47 | 52 | **5** |
| | | | | | | | 80 | 82 | 2 |
| | | | | | | | 84 | 91 | **7** |
| | | | | | | | 92 | 93 | 1 |
| | | | | | | | 95 | 96 | 1 |
| | | | | | | | 179 | 181 | 2 |
| SYRC3 | 6827349 | 663245 | 480 | 199 | -60 | 270 | 54 | 57 | 3 |
| SYRC4 | 6827178 | 662748 | 480 | 160 | -60 | 270 | 7 | 12 | **5** |
| | | | | | | | 51 | 52 | 1 |
| | | | | | | | 55 | 64 | **9** |
| SYRC5 | 6827100 | 662758 | 480 | 160 | -60 | 270 | 32 | 40 | **8** |
| | | | | | | | 64 | 67 | 3 |
| SYRC6 | 6827354 | 662899 | 480 | 200 | -60 | 270 | 78 | 81 | 3 |
| | | | | | | | 119 | 123 | 4 |
| | | | | | | | 128 | 134 | **6** |
| | | | | | | | 145 | 153 | **8** |
| | | | | | | | 169 | 177 | **8** |
| SYRC7 | 6826768 | 662640 | 480 | 45 | -60 | 270 | 35 | 36 | 1 |
| | | | | | | | 38 | 45 | **7** |
| SYRC7A * | 6826768 | 662644 | 480 | 160 | -60 | 270 | 40 | 47 | **7** |
| | | | | | | | 51 | 52 | 1 |
| | | | | | | | 55 | 56 | 1 |
| | | | | | | | 105 | 107 | 2 |
| | | | | | | | 116 | 117 | 1 |
| | | | | | | | 129 | 130 | 1 |
| | | | | | | | 154 | 155 | 1 |
| SYRC8 | 6826623 | 662682 | 480 | 160 | -60 | 270 | 0 | 3 | 3 |
| | | | | | | | 67 | 71 | 4 |
| | | | | | | | 76 | 80 | 4 |
| | | | | | | | 103 | 104 | 1 |
| | | | | | | | 119 | 120 | 1 |
| | | | | | | | 154 | 155 | 1 |

Notes:
Coordinate system GDA94z50, obtained by handheld GPS, accuracy +/- 3m, nominal RL applied.
* SYRC7A is a re-drill of SYRC7 after hole was abandoned due to rig equipment failure.
Based on the intersection angle of the drilling with the modelled pegmatites, downhole widths noted above are interpreted to be close to true widths.

**Table 2: Visual Mineral Observations – Figures 3, 4 and 7**

**Historic RC Drilling (observed during visual inspection of chip trays)**

| Hole ID | From | To | Style | Mineral | Estimated % | Observed Minerals |
|---|---|---|---|---|---|---|
| **19YMRC30** | 11 | 12 | Disseminated | Lithium Aluminosilicate | 10-20 | Spodumene, Lepidolite and Petalite |
| | 12 | 13 | Disseminated | Lithium Aluminosilicate | 10-20 | Spodumene, Lepidolite and Petalite |
| | 13 | 14 | Disseminated | Lithium Aluminosilicate | 10-20 | Spodumene, Lepidolite and Petalite |
| | 14 | 15 | Disseminated | Lithium Aluminosilicate | 30-40 | Spodumene, Lepidolite and Petalite |
| | 15 | 16 | Disseminated | Lithium Aluminosilicate | 30-40 | Spodumene, Lepidolite and Petalite |
| | 16 | 17 | Disseminated | Lithium Aluminosilicate | 30-40 | Spodumene, Lepidolite and Petalite |
| **19YMRC37** | 8 | 9 | Disseminated | Lithium Aluminosilicate | 10-20 | Spodumene, Lepidolite and Petalite |
| | 9 | 10 | Disseminated | Lithium Aluminosilicate | 10-20 | Spodumene, Lepidolite and Petalite |
| | 10 | 11 | Disseminated | Lithium Aluminosilicate | 70-80 | Spodumene, Lepidolite and Petalite |
| | 11 | 12 | Disseminated | Lithium Aluminosilicate | 10-20 | Spodumene, Lepidolite and Petalite |
| | 12 | 13 | Disseminated | Lithium Aluminosilicate | 10-20 | Spodumene, Lepidolite and Petalite |
| | 13 | 14 | Disseminated | Lithium Aluminosilicate | 40-50 | Spodumene, Lepidolite and Petalite |
| | 14 | 15 | Disseminated | Lithium Aluminosilicate | 60-70 | Spodumene, Lepidolite and Petalite |
| | 15 | 16 | Disseminated | Lithium Aluminosilicate | 70-80 | Spodumene, Lepidolite and Petalite |

**New RC Drilling (observed during visual inspection of chip trays)**

| Hole ID | From | To | Style | Mineral | Estimated % | Observed Minerals |
|---|---|---|---|---|---|---|
| **SYRC4** | 55 | 56 | Disseminated | Lithium Aluminosilicate | 10-20 | Spodumene, Lepidolite and Petalite |
| | 56 | 57 | Disseminated | Lithium Aluminosilicate | 40-50 | Spodumene, Lepidolite and Petalite |
| | 57 | 58 | Disseminated | Lithium Aluminosilicate | 40-50 | Spodumene, Lepidolite and Petalite |
| | 58 | 59 | Disseminated | Lithium Aluminosilicate | 40-50 | Spodumene, Lepidolite and Petalite |
| | 59 | 60 | Disseminated | Lithium Aluminosilicate | 40-50 | Spodumene, Lepidolite and Petalite |
| | 60 | 61 | Disseminated | Lithium Aluminosilicate | 30-40 | Spodumene, Lepidolite and Petalite |
| | 61 | 62 | Disseminated | Lithium Aluminosilicate | 50-60 | Spodumene, Lepidolite and Petalite |
| | 62 | 63 | Disseminated | Lithium Aluminosilicate | 40-50 | Spodumene, Lepidolite and Petalite |
| | 63 | 64 | Disseminated | Lithium Aluminosilicate | 0-10 | Spodumene, Lepidolite and Petalite |
| **SYRC7A** | 40 | 41 | Disseminated | Lithium Aluminosilicate | 20-30 | Spodumene, Lepidolite and Petalite |
| | 41 | 42 | Disseminated | Lithium Aluminosilicate | 20-30 | Spodumene, Lepidolite and Petalite |
| | 42 | 43 | Disseminated | Lithium Aluminosilicate | 10-20 | Spodumene, Lepidolite and Petalite |
| | 43 | 44 | Disseminated | Lithium Aluminosilicate | 0-10 | Spodumene, Lepidolite and Petalite |
| | 44 | 45 | Disseminated | Lithium Aluminosilicate | 0-10 | Spodumene, Lepidolite and Petalite |
| | 45 | 46 | Disseminated | Lithium Aluminosilicate | 0-10 | Spodumene, Lepidolite and Petalite |
| | 46 | 47 | Disseminated | Lithium Aluminosilicate | 0-10 | Spodumene, Lepidolite and Petalite |

Please note:
Visual estimates of mineral abundance should never be considered a proxy or substitute for laboratory analyses where metal concentrations or grades are the factor of principal economic interest.

**Cautionary Statement**

The Company is very encouraged by the geology identified in the recently completed drill holes, no laboratory based qualitative or quantitative assessment of mineralisation has been completed at this time. Geological logging is based on visual interpretation and should not be considered a substitute for laboratory analysis.

The visual observation of lithium-bearing minerals within pegmatites does not necessarily equate to lithium mineralisation, and laboratory analysis is required to confirm the presence and grade of any contained lithium. Given the nature of lithium mineralisation, it is not possible to accurately estimate by visual assessment the abundance of any lithium within the pegmatites intersected by the completed drilling. Laboratory assays are required to accurately determine the concentration of lithium within the reported pegmatite intersections.

***About Scorpion Minerals Limited***

*Scorpion Metals Limited (ASX:SCN) is an Australian mineral exploration and resource development company with a focus on creating wealth for shareholders through the discovery of world-class deposits, over a diversified range of minerals. Our current efforts are centred on our Pharos and Youanmi Projects, located in the Murchison Province of Western Australia.*

***The Pharos Project***

*The Pharos Project consists of 1,544 square kilometres of granted tenure, located approximately 50km northwest of the small mining town of Cue in the Murchison Mineral Field. The project is easily accessible from the Great Northern Highway by the sealed Jack Hills Mine access road and then by unsealed tracks. Scorpion holds a 100% interest in the project.*

*The project is prospective for lithium, PGE-Ni-Cu, gold, iron ore, and VMS hosted Cu-Zn-Ag Au mineralisation, and contains the Mt Mulcahy deposit. The 'South Limb Pod' zone of mineralisation at Mt Mulcahy contains a JORC 2012 Measured, Indicated and Inferred Resource of 647,000 tonnes @ 2.4% copper, 1.8% zinc, 0.1% cobalt and 20g/t Ag.*

***The Youanmi Project***

*The Youanmi Project consists of 279 square kilometres of granted tenure, located approximately 130 kilometres northeast of the small mining centre of Payne's Find in the East Murchison Mineral Field. The project is easily accessible from the Great Northern Highway by the Payne's Find-Sandstone road which cuts the southern end of the project area and then by unsealed station tracks. Scorpion holds an option to purchase a 100% interest in the project.*

*The project is prospective for lithium, PGE-Ni-Cu, gold and vanadium mineralisation.*

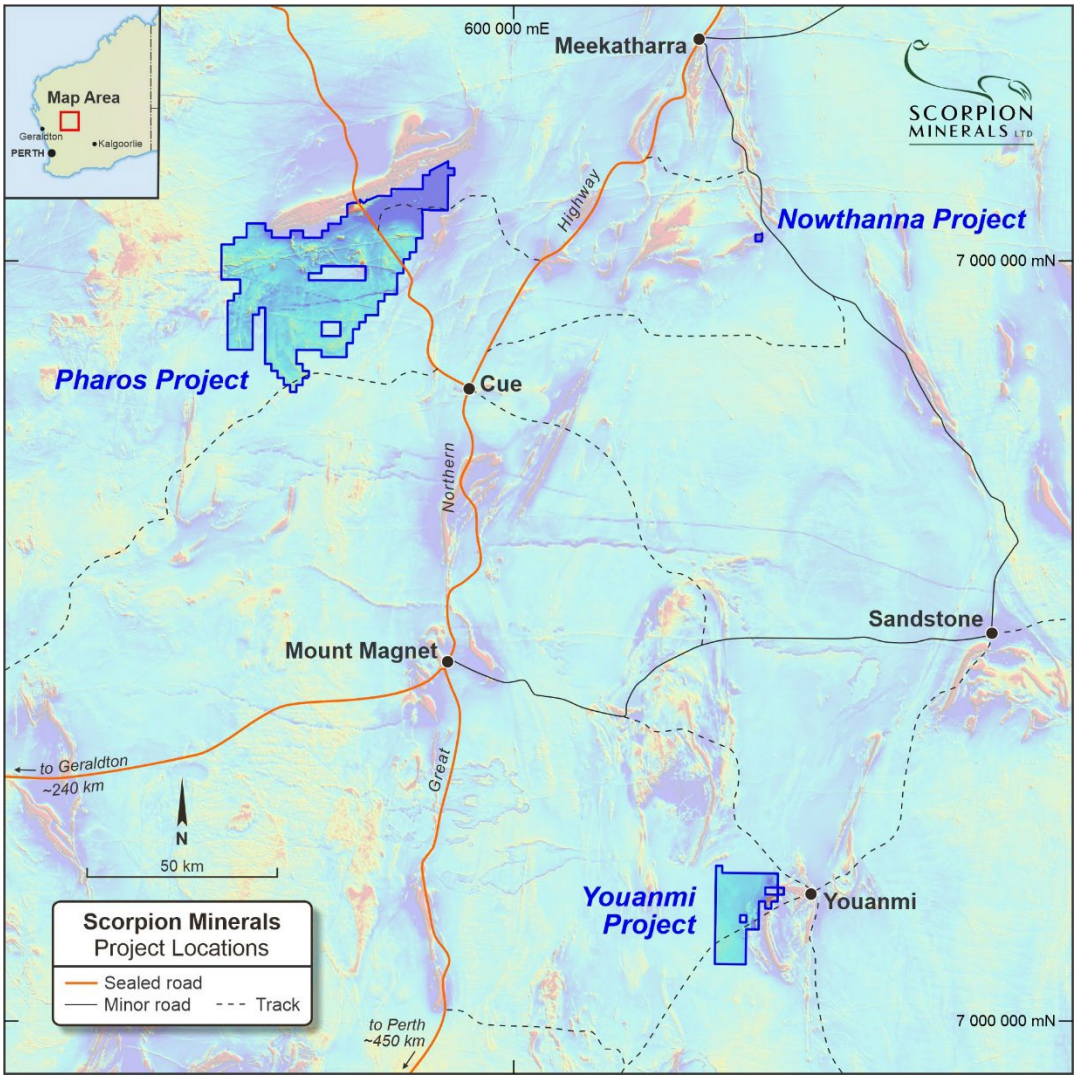



**Figure 8: Location of Scorpion Minerals Pharos, Youanmi and Nowthanna Projects**

## Table 3: Current Mineral Resource Estimate, Mt Mulcahy Project

(refer ASX release 25/9/2014 "*Maiden Copper - Zinc Resource at Mt Mulcahy*", which also contains a list of significant drill intersections for the deposit, listed within that report at Table 2)

| Mt Mulcahy South Limb Pod Mineral Resource Estimate | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Resource Category | Grade | | | | | | Contained Metal | | | | |
| | Tonnes | Cu (%) | Zn (%) | Co (%) | Ag (g/t) | Au (g/t) | Cu (t) | Zn (t) | Co (t) | Ag (oz) | Au (oz) |
| Measured | 193,000 | 3.0 | 2.3 | 0.1 | 25 | 0.3 | 5,800 | 4,400 | 220 | 157,000 | 2,000 |
| Indicated | 372,000 | 2.2 | 1.7 | 0.1 | 19 | 0.2 | 8,200 | 6,300 | 330 | 223,000 | 2,000 |
| Inferred | 82,000 | 1.5 | 1.3 | 0.1 | 13 | 0.2 | 1,200 | 1,100 | 60 | 35,000 | |
| TOTAL | 647,000 | 2.4 | 1.8 | 0.1 | 20 | 0.2 | 15,200 | 11,800 | 610 | 415,000 | 4,000 |

**Competent Persons Statement 1**

*The information in this report that relates to the Exploration Results and Mineral Resources at the Mt Mulcahy and Pharos Projects is based on information reviewed by Mr Michael Fotios, who is a member of the Australian Institute of Mining and Metallurgy. Mr Fotios is a consultant to Scorpion Minerals Limited and has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activity he is undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012)'. Mr Fotios consents to the inclusion of the information in the form and context in which it appears.*

**Competent Persons Statement 2**

*The information in this report that relates to the Mt Mulcahy Mineral Resource is based on information originally compiled by Mr Rob Spiers, an independent consultant to Scorpion Minerals Limited and a then full-time employee and Director of H&S Consultants Pty Ltd (formerly Hellman & Schofield Pty Ltd), and reviewed by Mr Hall. This information was originally issued in the Company's ASX announcement "Maiden Copper-Zinc Resource at Mt Mulcahy", released to the ASX on 25th September 2014. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the findings are presented have not materially modified from the original market announcements*.

**Forward Looking Statements**

*Scorpion Minerals Limited has prepared this announcement based on information available to it. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this announcement. To the maximum extent permitted by law, none of Scorpion Minerals Limited, its Directors, employees or agents, advisers, nor any other person accepts any liability, including, without limitation, any liability arising from fault or negligence on the part of any of them or any other person, for any loss arising from the use of this announcement or its contents or otherwise arising in connection with it. This announcement is not an offer, invitation, solicitation or other recommendation with respect to the subscription for, purchase or sale of any security, and neither this announcement nor anything in it shall form the basis of any contract or commitment whatsoever. This announcement may contain forward looking statements that are subject to risk factors associated with exploration, mining and production businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimations, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory changes, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimate.*

## JORC 2012 Table

**SECTION 1 – Sample 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.*<br>• *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*<br>• *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.* | <u>RC Drilling by Lithium Australia NL in 2019</u><br>• Sampling technique for Reverse Circulation (RC) drilling was appropriate and industry standard.<br>• 1 m split samples of approximately 3-4 kg were collected from a rig-mounted cyclone and adjustable cone splitter (checks were made before and during drilling by the geologist to ensure the splitter box was level and sample splits representative).<br>• Certified standards, blanks and duplicates accounted for 10% of the total samples submitted to the lab. Duplicate samples were collected to check repeatability and blanks were inserted to check for contamination.<br>• Lithium mineralisation (lepidolite) was observed in RC drill cuttings.<br><u>Historic Rock Chip Sampling</u><br>• Rock chip samples were collected to best represent the source material.<br><u>RC Drilling by Scorpion Minerals 2023</u><br>• Sampling technique for Reverse Circulation (RC) drilling was appropriate and industry standard.<br>• 1 m split samples of approximately 3-4 kg were collected from a rig-mounted cyclone and cone splitter (checks were made before and during drilling by the geologist to ensure the splitter box was level and sample splits representative). |
| ***Drilling techniques*** | • *Drill type (e.g. 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).* | <u>RC Drilling by Lithium Australia NL in 2019</u><br>• RC drilling was carried out by Westside Drilling Pty Ltd using a truck-mounted MK10 Almet Masters RC drill rig.<br>• RC holes in the programme have been drilled on a variety of azimuths and dips.<br><u>RC Drilling by Scorpion Minerals 2023</u><br>• RC drilling carried out by iDrilling using a Hydco 350RC drill rig<br>• Holes drilled at -60 degrees to the West at a 270 degree azimuth. |
| ***Drill sample recovery*** | • *Method of recording and assessing core and chip sample recoveries and results assessed.*<br>• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*<br>• *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.* | • Bulk waste samples from the cone splitter were assessed by the geologist and recorded in the logs as high, medium or low.<br>• After every metre drilled the driller ensured the entire sample was blown out by lifting the bit and running air down the hole and up the tube before drilling continued.<br>• No recovery issues were reported by the geologist. |
| ***Logging*** | • *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support* | • RC drill samples were geologically logged to a level of detail to support future Mineral Resource estimation studies. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *appropriate Mineral Resource estimation, mining studies and metallurgical studies.*<br>• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*<br>• *The total length and percentage of the relevant intersections logged.* | • Relevant data fields included weathering, lithology, minerals, colour, grain size, veins, recovery and moisture.<br>• Samples were geologically logged onto hardcopy logging sheets and later transferred into a database.<br>• All wet-sieved logging samples were collected into chip-trays and stored for future reference.<br>• All drill holes were logged in full. The database contains lithological data for all holes in the database.<br>• Rock chip samples were geologically logged. |
| ***Sub-sampling techniques and sample preparation*** | • *If core, whether cut or sawn and whether quarter, half or all core taken.*<br>• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*<br>• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*<br>• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*<br>• *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.*<br>• *Whether sample sizes are appropriate to the grain size of the material being sampled.* | • No Diamond drilling has been undertaken.<br>• Sampling has been by RC drilling through a rig-mounted cyclone and adjustable cone splitter.<br>• Sampling technique is appropriate and industry standard.<br>• Quality control procedures adopted to ensure maximum representivity of samples.<br>• Sample sizes are considered to be appropriate to accurately represent the lithium mineralisation at Youanmi based on the style of mineralisation and the thickness and consistency of the intersections. |
| ***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.*<br>• *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.*<br>• *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e lack of bias) and precision have been established.* | <u>RC Drilling by Lithium Australia NL in 2019</u><br>• Samples collected from the drilling were sent to Nagrom in Kelmscott, WA for sample preparation and analysis.<br>• Samples were analysed for a suite of 11 elements, i.e., Li, Rb, Cs, Be, Bi, Sn, Ta, Al, Fe, K and Si.<br>• Analysis completed by geochemical procedure ICP005 using peroxide fusion digestion and ICP-MS and ICP-OES analytical methods.<br>• Field duplicates, certified standards and blanks accounted for 10% of the samples collected from the drilling and sent to the lab.<br>• Field and internal QAQC samples produced results deemed acceptable.<br><u>RC Drilling by Scorpion Minerals 2023</u><br>• Samples collected from the drilling were sent to Nagrom in Kelmscott, WA for sample preparation and analysis.<br>• Samples to be analysed for a 8 elements. Li, Rb, Cs, Be, Sn, Ta, Nb and W.<br><u>Historic Rock Chip Sampling</u><br>• Samples range from about 500 grams to 1 kilogram in weight, with each sample comprising several pieces. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | | • All samples were assayed for Cs, Li, Nb, Rb, Sn, Ta and W. Some batches were also assayed for extra multi elements.<br>• Analyses were performed by Intertek Genalysis and SGS in Perth<br>• Most samples were digested with either a four-acid mix (nitric, hydrochloric, perchloric, hydrofluoric) or by sodium peroxide fusion in zirconia or nickel crucibles, followed by ICP-MS. A few elements were analysed by X-ray fluorescence. Both laboratories are NATA certified. |
| ***Verification of sampling and assaying*** | • *The verification of significant intersections by either independent or alternative Company personnel.*<br>• *The use of twinned holes.*<br>• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*<br>• *Discuss any adjustment to assay data.* | • No independent verification of sampling has been reported.<br>• No twinning of holes.<br>• Primary data is captured using industry standard worksheets.<br>• No adjustments were made to any of the assay data. |
| ***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.*<br>• *Specification of the grid system used.*<br>• *Quality and adequacy of topographic control.* | • The RC drill hole locations (collars) were picked-up using a Garmin GPS with +/-3m accuracy and considered adequate for first-pass drilling.<br>• Rock chip samples were located using a Garmin GPS with +/-3m accuracy and considered adequate for this purpose.<br>• Grid systems used were Geodetic datum: GDA 94; Projection: MGA, Zone 50. |
| ***Data spacing and distribution*** | • *Data spacing for reporting of Exploration Results.*<br>• *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.*<br>• *Whether sample compositing has been applied.* | • RC drilling targeting mineralised horizons was completed on approximately 80 m spaced sections with drill hole spacing of approximately 40m.<br>• Examination of drilling results will be required to determine if this is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource estimation procedures. |
| ***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.*<br>• *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.* | • The dip of the pegmatites is approximately 20-40o to the east. Holes were oriented appropriately at right angles to the stratigraphy. |
| ***Sample security*** | • *The measures taken to ensure sample security.* | <u>RC Drilling by Lithium Australia NL in 2019</u><br>• Industry standard measures were taken to ensure sample security. Chain of custody of RC drilling samples was managed by Lithium Australia personnel. All sample bags were properly sealed and couriered from Mt Magnet to Perth.<br><u>RC Drilling by Scorpion Minerals 2023</u><br>• Samples were stored in a fenced area on site. Chain of custody of samples was managed by Scorpion Minerals personnel. All sample were transported by Scorpion Minerals personnel to Nagrom in Perth. |

| *Criteria* | *JORC Code explanation* | Commentary |
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| ***Audits or reviews*** | • *The results of any audits or reviews of sampling techniques and data.* | • No audits or a review have yet been undertaken. |

## 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.*<br>• *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.* | • E 57/958, E 57/1049 and E 57/1056 are held by Diversity Resources Pty Ltd, a private company.<br>• E 57/1377 is held by Scorpion Minerals Limited.<br>• All tenements are in good standing.<br>• Terms of the agreement between Diversity Resources and Scorpion Minerals is discussed in ASX announcement dated 19/12/2022 titled "SCN Expands Lithium Footprint – Major Project Acquisition" |
| ***Exploration done by other parties*** | • *Acknowledgment and appraisal of exploration by other parties.* | • The tenement area has been historically explored by many explorers since 1967.<br>• Australian Gold Resources Limited (AGR) explored for vanadium within tenement E57/978.<br>• Lithium Australia NL completed the RC drilling in 2019. |
| ***Geology*** | • *Deposit type, geological setting and style of mineralisation.* | • The project area lies on the northern part of the Youanmi Complex, a layered gabbroic intrusion.<br>• The tenements hosts abundant lithium pegmatites intruding layered mafic rocks, with the latter also hosting vanadium-rich magnetite horizons. The pegmatites are strongly fractioned with the dominant lithium mineral being lepidolite (a lithium mica).<br>• Within E57/978 there are also vanadiferous units that have been dislocated by a major fault. To the east of the fault, they strike east-west with a moderate dip to the south. To the west the units are offset by a number of minor faults and strike northeast-southwest, dipping moderately to the southeast. Oxidised mineralisation extends to between 20 m and 50 m, with an average depth of 40 m. There is minimal overburden. |
| ***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:*<br>• *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.* | • Refer to the body of text of this report and relevant Tables for information material to the understanding of the exploration results. |
| ***Data aggregation methods*** | • *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually* | <u>RC Drilling by Lithium Australia NL in 2019</u><br>• Significant RC drilling intervals have been chosen using a 0.5% Li2O cut-off and 2 m internal dilution. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | *Material and should be stated.*<br>• *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.*<br>• *The assumptions used for any reporting of metal equivalent values should be clearly stated.* | • No cutting of high grades has occurred.<br>RC Drilling by Scorpion Minerals 2023<br>• Assays yet to be received |
| ***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.*<br>• *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').* | • The dip of the pegmatites is approximately 20-30$^{o}$ to the east. Holes were oriented appropriately at right angles to the stratigraphy. |
| ***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.* | • See plans and sections included in this report |
| ***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.* | • Reported results considered representative. |
| ***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 material exploration data has been included. |
| ***Further work*** | • *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*<br>• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.* | • Planned activities discussed in text.<br>• Refer to text and diagrams in body of this release. |