ASX: AS2

ASX ANNOUNCEMENT | 13 April 2023

ASKARI METALS PROVIDES EXPLORATION UPDATE ON ACTIVITIES AT THE UIS LITHIUM PROJECT, NAMIBIA

HIGHLIGHTS

- **Phase one drilling on EPL8534 and phase two drilling on EPL 7345 remains on schedule**
- **Visible spodumene mineralisation identified on EPL 7345***
- **Future work to include the mapping of EPL 8535, diamond drilling and a potential large-scale electromagnetic survey over EPL 7345**

** The presence of spodumene crystals within pegmatite does not necessarily equate to lithium mineralisation until confirmed by chemical assay. It is not possible to estimate the percentage of lithium mineralisation by visual estimates and this will be determined by the laboratory results which will be reported in full in a future report.*

Askari Metals Limited (**ASX: AS2**) ("**Askari Metals**" or "**Company**") is pleased to provide shareholders and investors with an exploration update on its flagship Uis Lithium Project in Namibia.

Askari is carrying out two separate RC drilling campaigns at the Uis Lithium Project, in EPL 8535 and EPL 7345, which remain on track for completion in the June quarter.

The Phase II RC drilling campaign in EPL 7345 is anticipated to include at least 4,000m of drilling, with ongoing mapping work being used to target the most prospective pegmatites. The additional pegmatite drill targets identified by the mapping and sampling crews will be drill tested in Phase III at EPL 7345. Following completion of the project-wide detailed mapping and sampling at EPL 7345, the mapping and sampling crews will be mobilised to EPL 8535 where detailed mapping and sampling will also be completed across the entire project area.

Simultaneously the Phase I RC drilling program at EPL 8535 is targeting at least four separate target zones and has recently been expanded from 3,000m to 4,000m. The drilling program to date at EPL 8535 has been highly successful and it is anticipated that Phase II RC drilling at EPL 8535 will follow up on some of the intersections from the Phase I program as well as testing new targets generated by the field mapping and sampling crews.

The Uis Lithium Project is located near the township of Uis, within the Erongo Region of west-central Namibia. The area is well known for historical artisanal tin and semi-precious stone mines, with altered spodumene and lepidolite visible in many of these artisanal mines.

The project holds exceptional lithium mineralisation potential, supported by high-grade surface sample results and the high number of outcropping pegmatites, ranging from a few metres to more than 50m wide.

Commenting on the exploration activities at the Uis Lithium Project, VP-Exploration & Geology, Mr Johan Lambrechts, stated:

"The aggressive exploration strategy being undertaken at the Uis Lithium Project demonstrates Askari's confidence in the success of the project.

We are actively drilling both tenements, with two rigs testing targets identified by surface reconnaissance and mapping.

In EPL 7345, we are assessing outcropping pegmatites identified by the crew of geologists mapping the project. We are encouraged by the number of pegmatites identified to date and that lithium mineralisation occurring as spodumene is being identified in the outcrops.

The second rig is testing beneath high-grade surface samples collected on EPL 8535 and large (+40m) pegmatites identified by the Company during field reconnaissance. The mapping crew will move to this tenement once they have completed work in EPL 7345 and will no doubt discover more pegmatites to be tested in future drill campaigns.

As we gather more information, we understand that some pegmatites across the Uis Lithium Project area pinch near the surface while others continue to a greater depth. Our exploration work is aimed at identifying pegmatites across the tenements that are economically mineralised and continue to greater depths.

This work will help inform future exploration campaigns, with the overall goal of Askari delivering a maiden mineral resource at the Uis Lithium Project. The Company looks forward to updating our shareholders as our exploration activities continue."

EPL 7345 Exploration Update

Detailed Mapping and Sampling

A team of five geologists from Earthlab Technical have been diligently mapping the entire project area of EPL 7345, providing detailed notes of each outcropping pegmatite identified in the field together with information about the mineralogy and geochemical signature of the pegmatites identified *(refer to ASX announcement dated 2 February 2023)*.

To date, they have mapped roughly 60% of the target area and identified many various sized pegmatites, including several locations with spodumene mineralisation at the surface. Figure 1 shows locations where the pegmatites are greater than 10m and spodumene mineralisation has been identified at the surface.

Based on interpretation of the lithium (spodumene) bearing pegmatites identified by the field mapping program to date, and geochemical analysis of collected rock samples, Askari has interpreted an area of "primary mineralisation", which is elaborated on in the section below titled "**Zones of potential mineralisation**".

The south-eastern portion of the tenement hosts numerous wide pegmatites with visible spodumene mineralisation, and mapping is still ongoing in the area. This area is relatively hilly, and a track-mounted drill rig is being sourced to test targets identified in this portion of the tenement.

Phase II RC Drilling

The second phase of RC drilling in EPL 7345 is targeting new and untested pegmatites identified by the mapping crew. The Company had initially intended to also test below mineralised pegmatites identified by phase one drilling during the current campaign but delays in receiving assay results has resulted in the decision to focus drilling on new areas. The Company plans to revisit the areas identified in Phase I drilling during subsequent phases of drilling and exploration at EPL 7345. To date, the Company has completed 25 holes as part of the Phase II RC drilling campaign for approximately 1,200m of the planned 4,000m total for this phase of drilling.

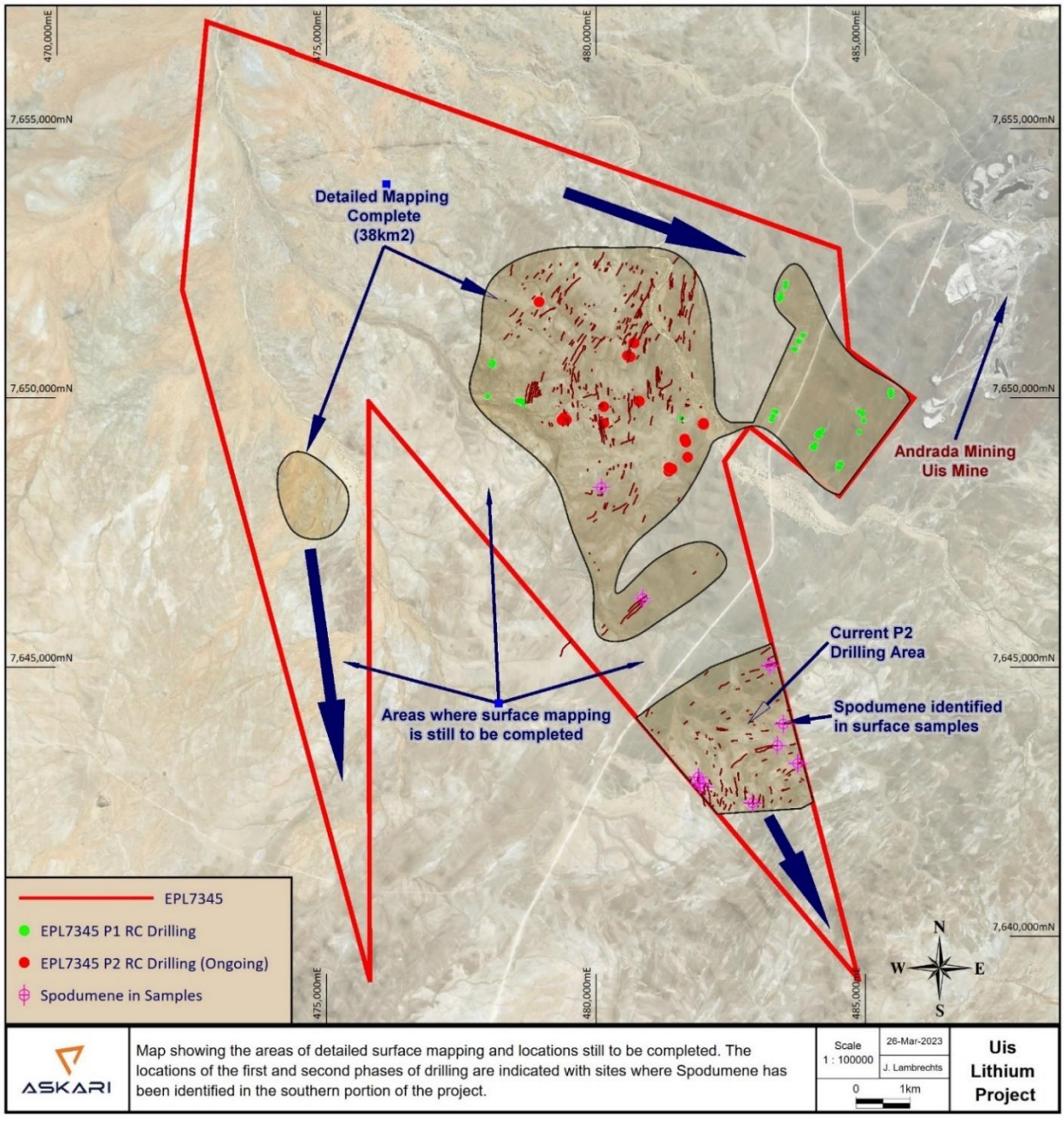

Figure 1: Map showing the work completed as well as ongoing on EPL 7345.

NOTE: The dark red lines in the mapped areas depict mapped pegmatites

EPL 8535 Exploration Update

Phase I RC Drilling

The Company commenced the first phase of RC drilling on EPL 8535 in February 2023 *(refer to ASX announcement dated 15 February 2023)*, targeting unexplored pegmatites and areas of high lithium mineralisation potential based on the surface sample results received by the Company of up to 3.3% Li_2O *(refer to ASX announcement dated 6 February 2023)*.

The drilling campaign started in the northern portion of the tenement, testing potential extensions of mineralised pegmatites that yielded assay results greater than 3% Li_2O beneath historical small-scale mine workings which targeted tin mineralisation. The drill rig then moved to the south-central portion where large pegmatites of greater than 40m wide were interpreted from surface outcrop. Results from this area of drilling will be announced in due course once all data is gathered and finalised.

The rig has since moved to the north-eastern portion of the tenement and is testing pegmatites identified by the Company during the pre-drilling reconnaissance process. Additional large pegmatites were identified south of the current location of the drill rig and these targets will be drill tested as the rig progresses southward in line with the planned drilling program locations.

To date, the Company has completed a total of 41 holes as part of the Phase I RC drilling campaign at EPL 8535 for approximately 2,750m. The Company has also made a decision to extend the program to approximately 4,000m as a result of the thickness of the pegmatites intersected to date and the number of drill targets still remaining untested. The Company had originally planned to drill a total of 3,000m during this current phase of drilling.

Mapping

The Earthlab geological team is anticipated to commence mapping EPL 8535 after the middle of April, which is when mapping work on EPL 7345 is expected to be complete. EPL 8535 has large areas where the country rock has been covered by wind-blown and washed sand, which is anticipated to make mapping more complex as the pegmatites are concealed under shallow cover and is where the trend of mineralised pegmatites has been interpreted to extend, providing significant exploration upside from numerous targets.

Figure 2: Pegmatite mapping on the Uis Lithium Project

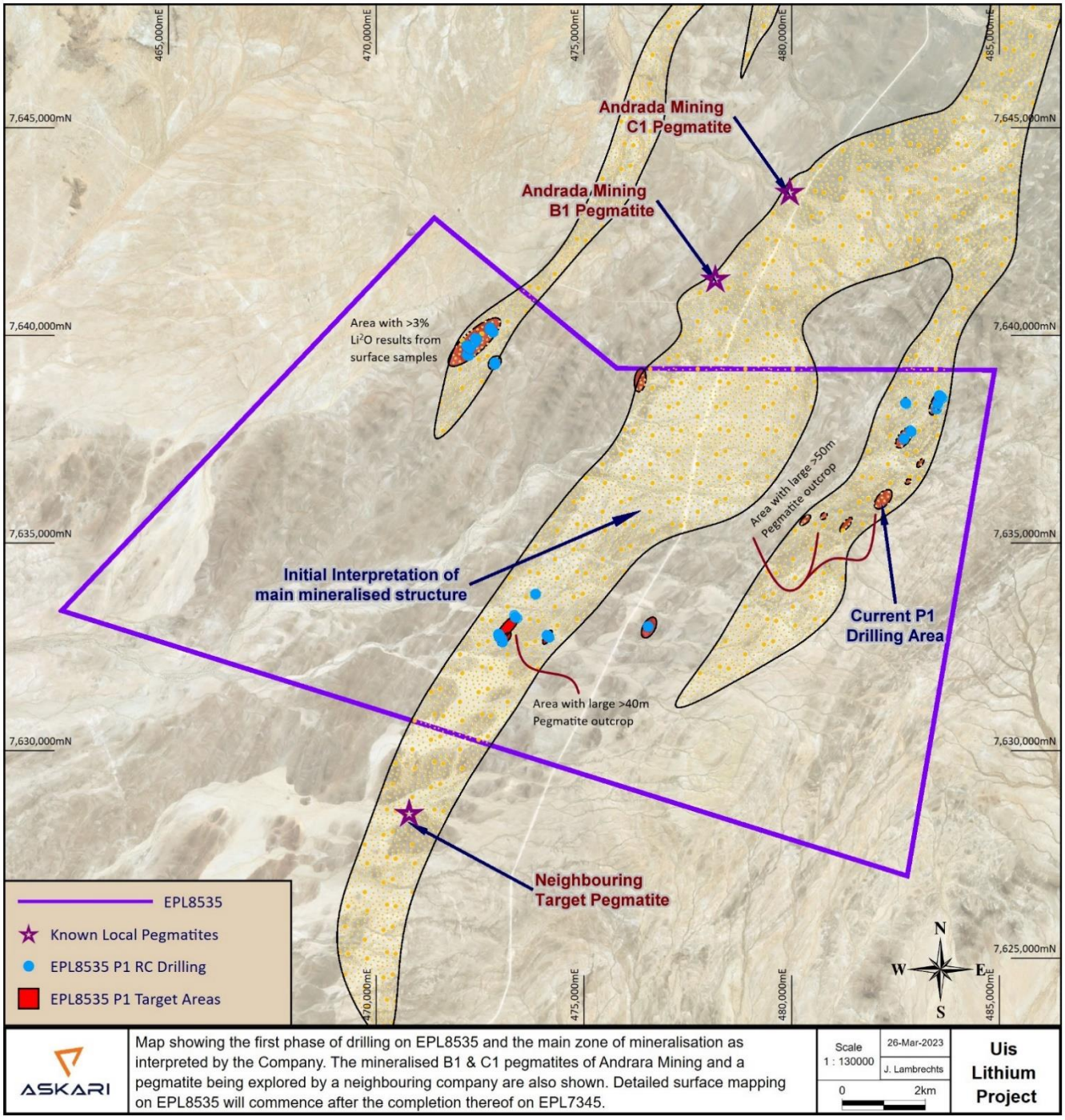

Figure 3: Map showing the work completed to date, as well as ongoing, on EPL 8535

Interpreted Zone of Potential Lithium Pegmatite Mineralisation

The Company has interpreted two-zones of potential lithium pegmatite mineralisation (refer to Figure 5, below) based on the interpretation of the lithium (spodumene) bearing pegmatites identified by the field mapping program and geochemical analysis of collected rock samples.

Encouragingly, the primary zone of mineralisation runs through Andrada Mining Limited (LSE: ATM) Uis Mine, as well as Andrada Mining Limited (LSE: ATM) B1 and C1 pegmatites (refer to Figure 5, below). All three of these sites have current and historic economic lithium mineralisation. Additionally, a Chinese-owned company has completed more than 9km of drilling on a mineralised pegmatite to the immediate south of EPL 8535 targeting lithium mineralisation, which also falls within the interpreted mineralised zone.

Despite the current drilling program being designed before the interpretation of these mineralising zones/structures, the Company is encouraged as all planned target pegmatites in the current Phase I drilling campaign fall within the interpreted mineralised zone. The Company is confident the ongoing mapping phase will provide additional detail to the current interpretation of these zones as it continues to progress.

Figure 4: Example of a pegmatite containing spodumene on the Uis Lithium Project with an inlay of drill core from Andrada Mining Limited (LSE: ATM) recent B1/C1 diamond drilling campaign for comparison. Source: LinkedIn - https://www.linkedin.com/posts/andrada-mining_lithium-tin-exploration-activity-7044671986328858625-9UTB?utm_source=share&utm_medium=member_desktop

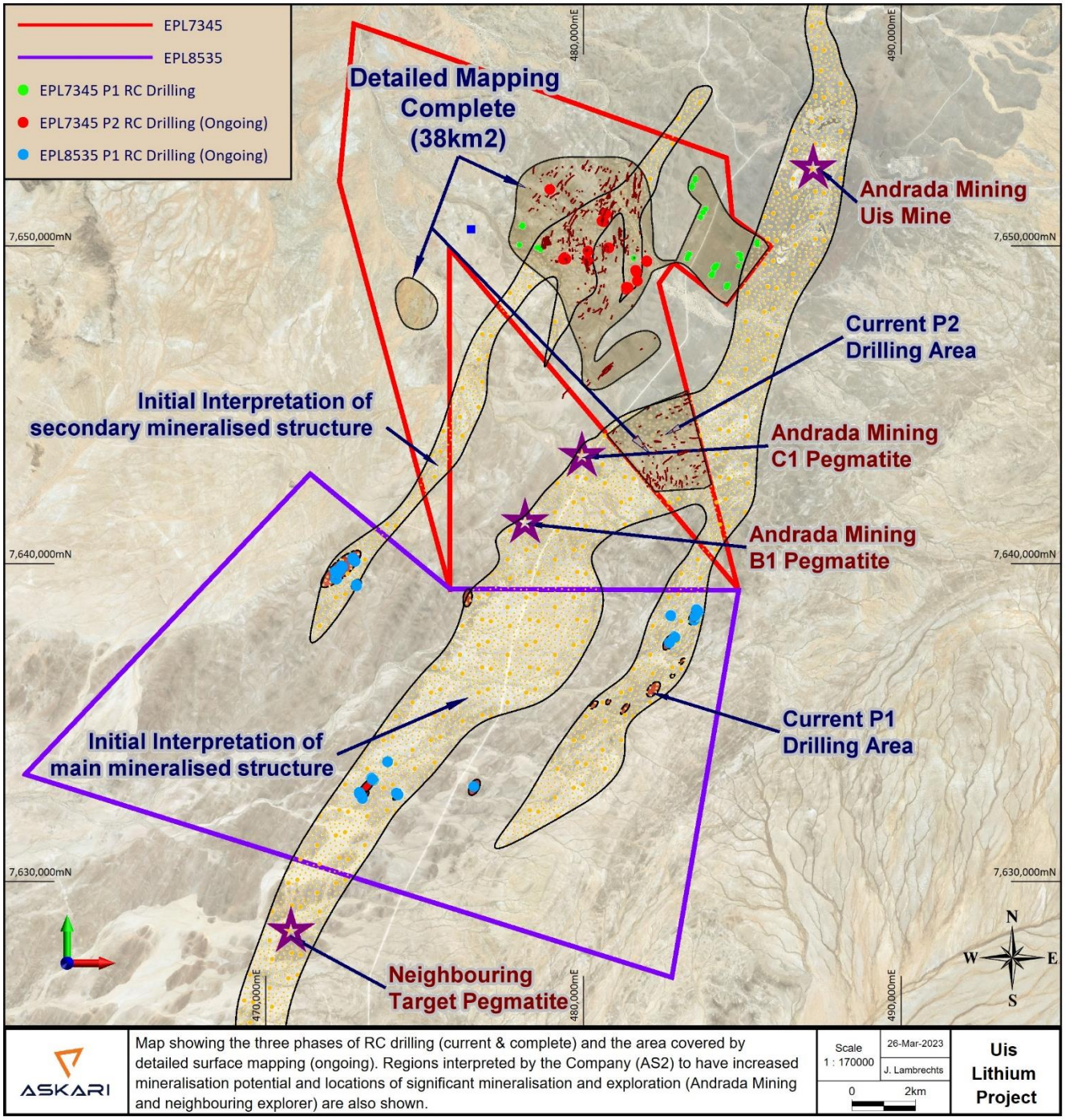

Figure 5: Map showing the Uis Lithium Project, the interpreted primary and secondary zones of mineralisation/structure, and past and current exploration activities on the Uis Lithium Project

FUTURE WORK

The Company plans to complete the first phase of RC exploration drilling on EPL 8535, as well as the second phase of exploration RC drilling on EPL 7345 and await the results of these programs.

Once results have been analysed, the Company plans to introduce the first diamond drill rig to the project to validate some RC intercepts, produce tangible evidence of the minerals identified in the RC drill chips, and test areas where the RC drill rig could not penetrate due to water being intersected in the hole which leads to a loss of pressure. Other tests, such as metallurgical testing, will also be considered.

It is envisaged at least one RC rig will maintain its presence on the project, while a second diamond rig will also be considered, pending initial drill results.

The Company has received a quote for the completion of a significant project-wide electromagnetic survey over EPL 7345, which is anticipated to take place once the results of the current drilling phase have been received and analysed.

Project-wide detailed mapping and sampling will continue as currently planned.

This announcement is authorised for release by the executive board

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FOR FURTHER INFORMATION PLEASE CONTACT

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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.

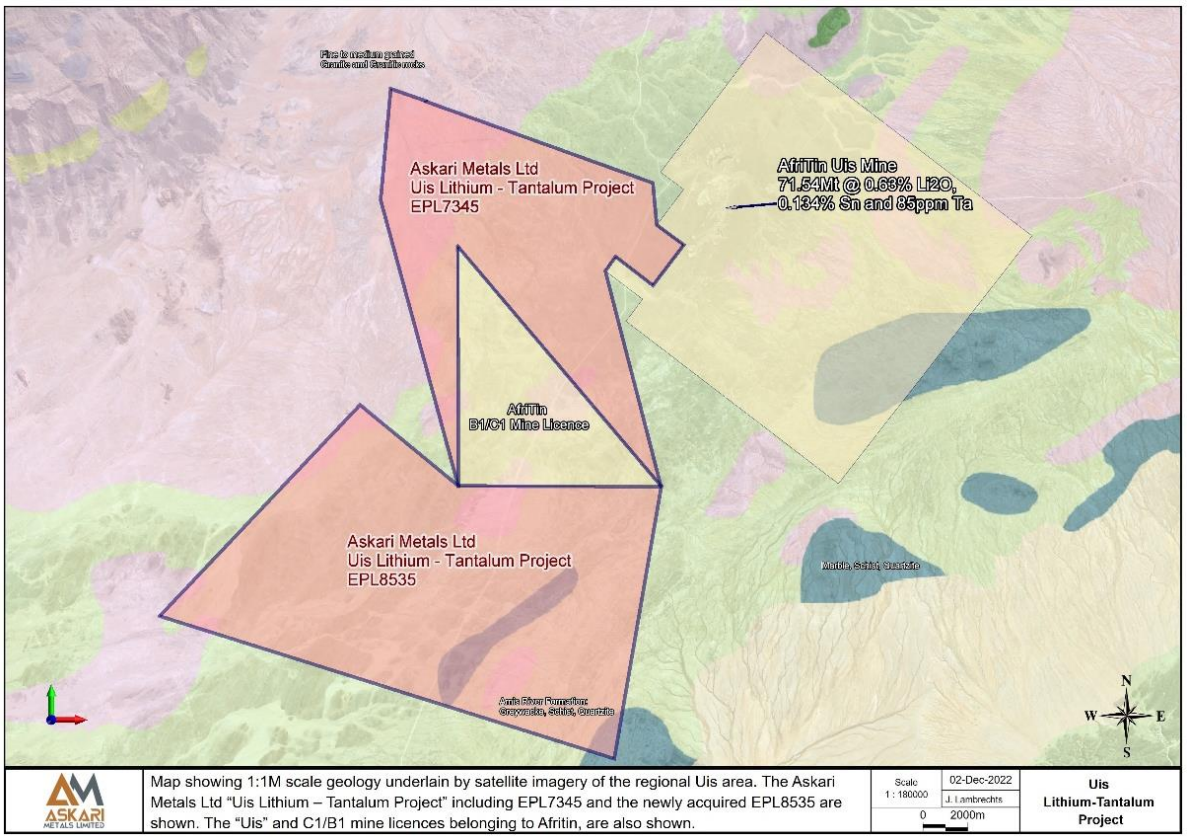

Figure 6: Simplified location map with known Lithium-Tin-Tantalum occurrences around the Uis Lithium Project (red)