



4 July 2023

ASX ANNOUNCEMENT

DRILLING UNDERWAY AT KANGAROO HILLS LITHIUM PROJECT

Highlights

- Fully funded¹ Phase 3 reverse circulation (RC) drilling programme underway, with primary focus on infilling at the Big Red Prospect (Big Red) and testing the exciting regional targets at Rocky, Eastern Grey, Wallaroo and Pademelon.
- At Big Red, drilling will both infill and further test the geological model where drilling to date has intercepted stand out results² of:
 - 29m @ 1.36% Li₂O from 38m (KHRC011);
 - 27m @ 1.32% Li₂O from 64m (KHRC017);
 - 19m @ 1.03% Li₂O from 42m (KHRC015);
 - 16m @ 1.09% Li₂O from 11m (KHRC022); and
 - 12m @ 1.02% Li₂O from 8m (KHRC021).
- The high priority prospect, Rocky, continues to show potential open to the south and east direction after the initial drilling intercepted² of:
 - 5m @ 1.12% Li₂O from 104m KHRC037.
- Expanded programme totalling up to 10,000m of RC and diamond drilling (DD) testing the northern extension and resistivity³ target at Big Red to commence once permitting is received.
- Assay results from Phase 2 DD and mineralogy expected shortly.

Future Battery Minerals Limited (ASX: FBM) (FBM or the Company) is pleased to announce that the Phase 3 reverse circulation (RC) drilling programme has commenced at the Kangaroo Hills Lithium Project (KHLP) in Western Australia (WA), targeting further shallow, thick, high-grade lithium (Li) pegmatites (Future Battery Minerals 80%, Lodestar Minerals Ltd 20% (ASX: LSR)).

Drilling Programme

The Phase 3 drilling programme initially consists of 5,000m of RC infilling at the Big Red Prospect (Big Red) and testing the regional targets Rocky, Eastern Grey, Wallaroo and Pademelon. The programme is being expanded to test the northern extension of the resistivity anomaly at Big Red once permitting is received.

The target generative work to date has successfully identified targets at the two new prospects at Rocky and Eastern Grey, which host confirmed pegmatites. The presence of a lithium (Li)-bearing pegmatite at Rocky has been confirmed through the proximal result of 5m @ 1.12% Li₂O from 104m in KHRC0037. Given the proximity of these prospects to Big Red, there is a high potential for further large-scale discoveries to significantly add to the growing KHLP Li inventory.

¹ Refer to 15 June 2023 ASX Announcement – Completion of Nepean Nickel Project Sale

² Refer to 22 June 2023 ASX Announcement – More High-Grade Lithium Assays, New Pegmatite Uncovered

³ Refer to 8 June 2023 ASX Announcement – New High Priority LCT Pegmatite drill targets highlight Potential Scale at Kangaroo Hills

FBM Technical Director Robin Cox commented:

“The Phase 3 drilling programme signals an expansive next step in exploration at the KHLP. Work to date has successfully discovered shallow high grade spodumene bearing pegmatites at Big Red, highlighting the potential of the project. The RC programme will further test the exciting discovery at Big Red and Rocky, while also testing the recently defined high priority regional targets, all of which could substantially contribute to the success of the KHLP.”



Figure 1: KHLP – Australian Surface Exploration’s RC Rig at Big Red (July 2023)

FBM Planned Works and Updates

FBM planned works and update across the Company projects is as follows:

KHLP (80%)

- Phase 3 RC drilling – **Underway**
- Metallurgical and mineralogical assessment - **Underway**
- Diamond drill hole assay results – **Expected in coming week**
- Target generative geophysics – **On going**

Nevada Lithium Project (NLP) (80%)

- Phase 2 RC drilling – **Nearing completion**
- Phase 3 drill planning - **Underway**

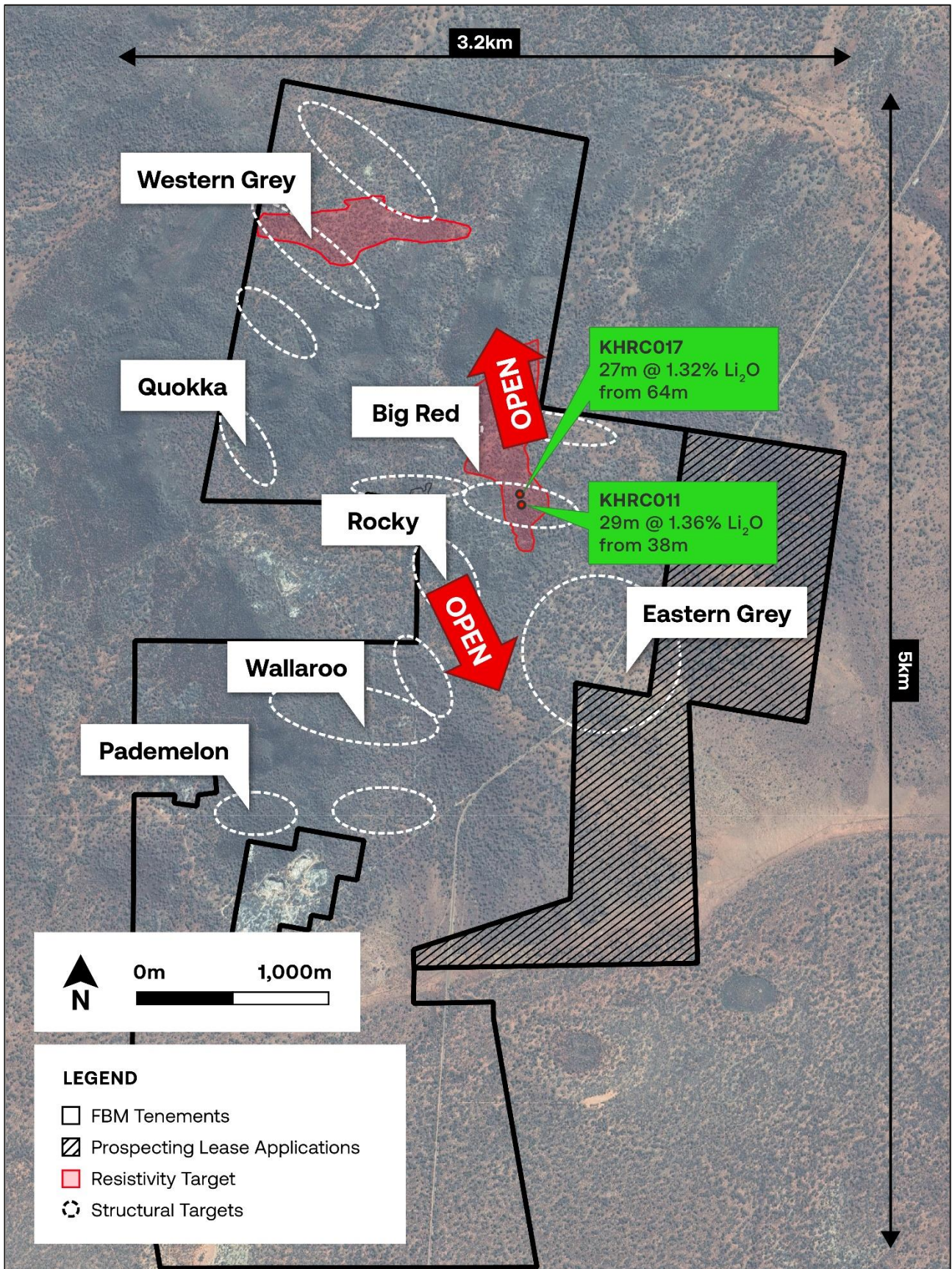


Figure 2 - KHL P – Location Map of Prospects and Regional Targets

About Kangaroo Hills Lithium Project (KHLP) – 80%

The KHLP is a recent and exciting hard rock Lithium discovery located in the Goldfields of Western Australia only 17km's south of the township of Coolgardie. Spodumene mineralisation within Lithium-Caesium-Tantalum (LCT) pegmatites was discovered during regional exploration drilling of the Nepean Nickel project in late 2022. Exploration efforts to date have significantly expanded on these initial results, as the Company has now conducted two rounds of drilling totalling 47 holes and over 6,000m. Drilling to date has identified the Big Red prospect an outcropping shallow north dipping Pegmatite with peak intercepts of 29m @ 1.36% Li₂O from 38m with the economic lithium mineral Spodumene noted as the dominant mineral. Through the implementation of regional target generative work, which involved mapping, geophysics and geochemistry, six additional high priority prospects have been identified. These high priority prospects have the potential to host further LCT pegmatites.

The location of the project provides significant advantages to FBM. Located on the doorstep of a premier mining district, the Goldfields of Western Australia and specifically Kalgoorlie (50km East of KHLP) host a professional mining and exploration workforce. This provides the company with access to skilled labour and infrastructure critical to the development of any future mining project. The Goldfields are also a Lithium endowed province of Western Australia, with numerous operating and developing Lithium projects. Notably the KHLP is only 30km's west of the Mt Murrumbidgee Lithium Mine operated by Mineral Resources Ltd (ASX: MRL). The site is accessible via a sealed road leading south from Coolgardie, ensuring the Company has continuous access all year-round.

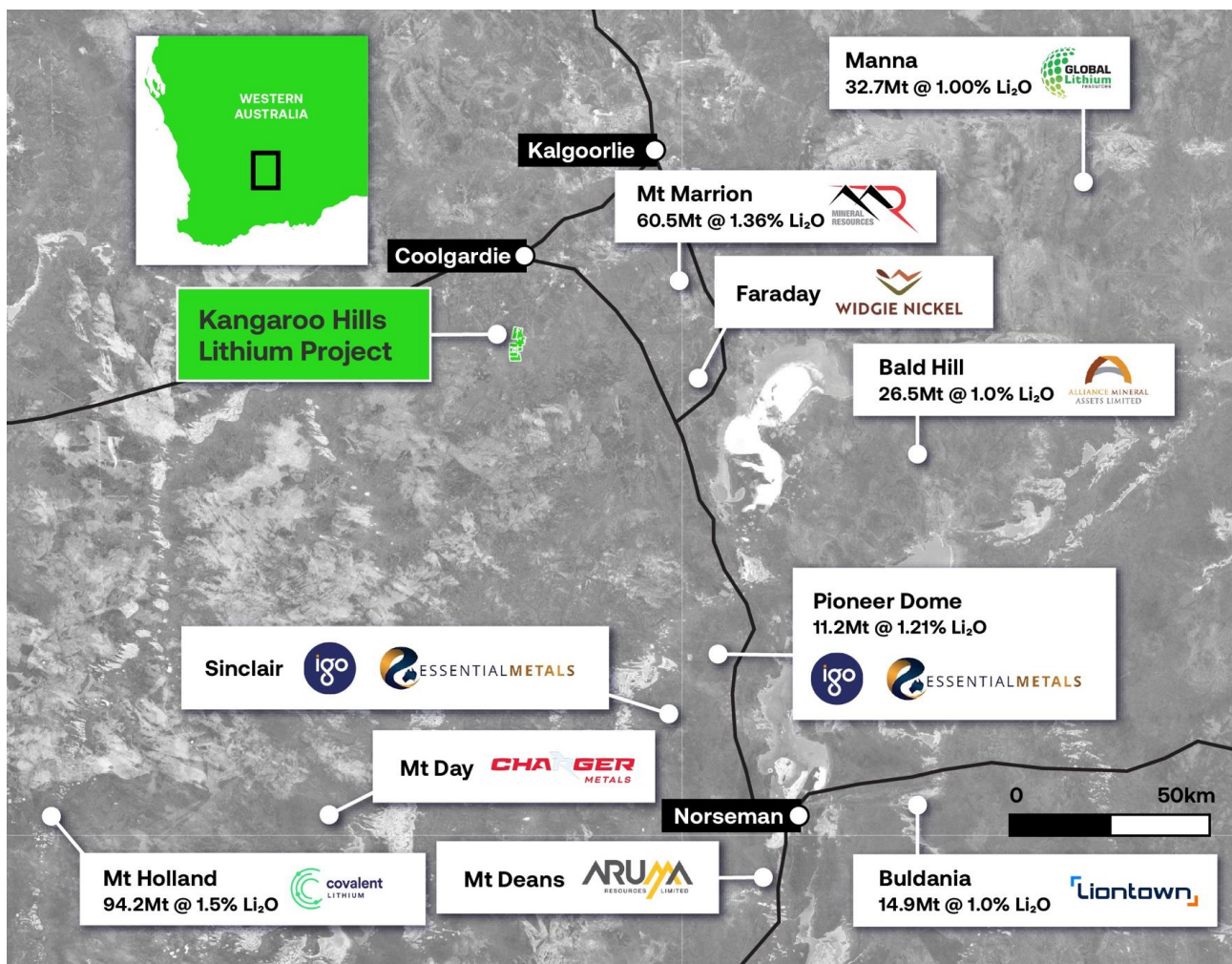


Figure 3 – KHLP Location

This announcement has been authorised for release by the Board of Directors of the Company.

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Competent Persons Statement

The information in this announcement that relates to exploration results is based on and fairly represents information compiled by Mr Robin Cox BSc (E.Geol), a Competent Person, who is a Member of the Australian Institute of Mining and Metallurgy. Mr Cox is the Company's Chief Geologist and 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 Cox consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Future Battery Minerals Limited's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential", "should," and similar expressions are forward-looking statements. Although Future Battery Minerals Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

Previously Reported Results

There is information in this announcement relating to exploration results which were previously announced on 8 June 2023 and 22 June 2023. Other than those disclosed in the announcement, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement.