



ASX ANNOUNCEMENT | FOR PERIOD ENDING 30 JUNE 2023

QUARTERLY REPORT

QUARTER HIGHLIGHTS

UIS LITHIUM PROJECT, NAMIBIA

- Initial drilling campaigns intersect broad 100m plus lithium-bearing pegmatites
- Initial assays reveal evolved granite, high fractionation and several positive results with open-ended mineralisation
- Multiple intervals with visible spodumene logged across multiple drill holes, along with intervals containing visible polyolithionite*
- Strategic investment by Zhejiang Huayou Cobalt Co., to accelerate exploration strategy

AUSTRALIAN EXPLORATION PORTFOLIO

- Acquisition of 100% interest in Hillside Lithium Project expands Eastern Pilbara lithium portfolio
- Several potentially spodumene-bearing lithium hosted pegmatites identified at Hillside*
- Soil auger campaigns completed across several tenements, including Red Peak, Mt Maguire and Myrnas Hill

**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.*

ABOUT ASKARI METALS

- Perth-based global lithium exploration and development company focused on key battery metals markets
- Portfolio of battery and precious metals projects across Namibia, Western Australia, New South Wales and the Northern Territory
- High-grade spodumene hosted lithium mineralisation identified at surface at flagship Uis Project in Namibia
- Uis Project gives early mover advantage into emerging African lithium play
- Assets strategically located in close proximity to other major projects and operations with existing infrastructure

ASKARI METALS

Shares on issue (@28 July 2023)	74.3M
Price (@28 July 2023)	A\$0.285
Average Daily Trading Volume – July 2023	165,881
Market Cap (@28 July 2023)	A\$21.2M
Cash (30 June 2023)	A\$3.453M

BOARD OF DIRECTORS

Robert Downey	Chairman
Gino D’Anna	Executive Director
Chris Evans	Technical Director - Lithium

OPERATIONAL ACTIVITIES

Askari Metals Limited (ASX: AS2) (“Askari Metals” or “Company”) is pleased to provide an update on its operational performance for the quarter ended 30 June 2023.

UIS LITHIUM PROJECT

The Uis Lithium Project is situated in a highly mineralised, spodumene rich pegmatite belt with a history of prior production and exploration success.

The project holds exceptional potential, as identified by due diligence sample results and a high number of pegmatites exposed at the surface, ranging from a few meters in width to more than 50m wide. Many of the pegmatites have been mined historically for tin and semi-precious stones, and altered spodumene and lepidolite are visible within the workings and mined rock around the workings.

Subsequent to quarter end, Askari executed a Share Sale Agreement to acquire 100% of the issued capital of AstralL Dynamix, the 100% owner of EPL 7626, as announced in the [ASX release](#) on 4 July 2023.

EPL 7626 lies along strike of the Company’s Uis Lithium Project (EPL 7345 and EPL 8535) and Andrada Mining Limited’s (LSE. ATM) Uis Tin Mine, which hosts a JORC (2012) Mineral Resource of 81Mt @ 0.73% Li₂O and 0.15% Sn.

The acquisition increases Askari’s strategic footprint across the Uis pegmatite belt to ~380km².

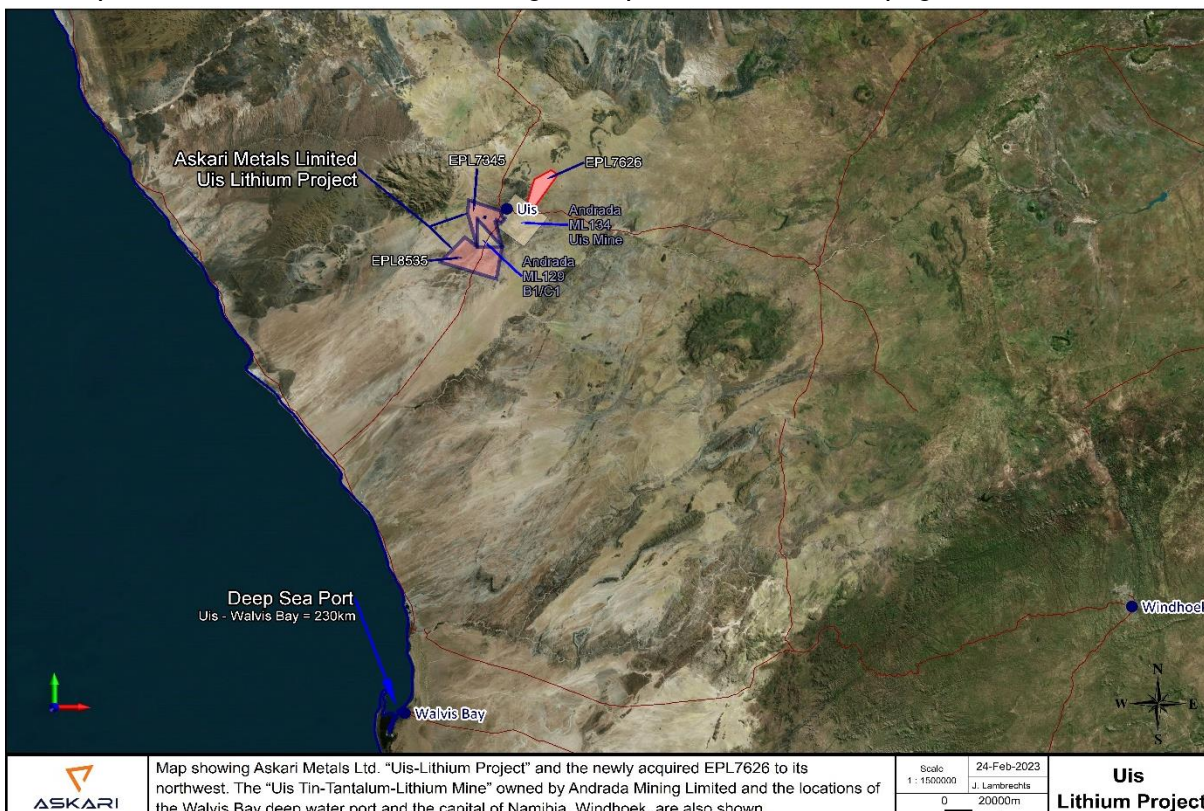


Figure 1: Location map of the Uis Lithium Project and the recently acquired EPL 7626.

EXPLORATION UPDATE

During the quarter, Askari intersected broad 100m plus lithium-bearing pegmatites and several 40m-wide lithium bearing pegmatites across both EPL 7345 and EPL 8535, as announced in the [ASX release](#) on 17 May 2023.

Initial assay results from Phase I RC drilling in EPL 7345 revealed evolved granite, high fractionation and several positive results with open-ended mineralisation.

Assays from this initial drilling phase reveal the average lithium grade of 510 ppm Li is 17 times greater than the regional background value based on control sampling completed by the Company, while the highest lithium result is more than 110 times greater than the regional background value based on control sampling completed by the Company.

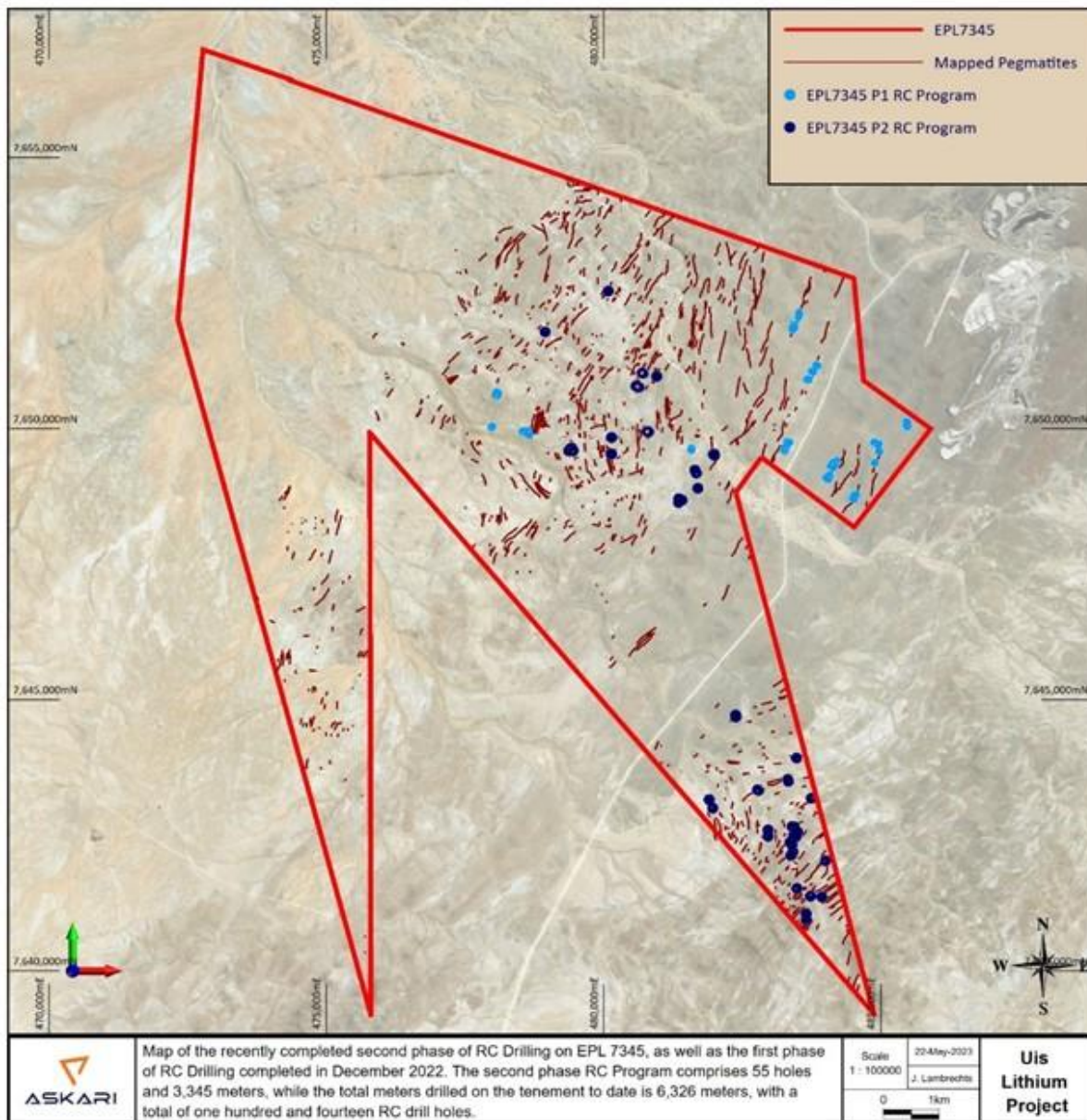


Figure 2: Map depicting the first and second phases of RC drilling on EPL7345 of the Uis Lithium Project

The second phase of drilling in EPL 7345 logged 180 intervals containing visible spodumene across 25 drill holes, while 283 intervals containing visible polyolithionite were logged across 15 drill holes*.

Lepidolite was also logged on five occasions in three drill holes, while 22 other intervals containing either petalite, amblygonite and hiddenite were logged in another seven drill holes.

This phase of drilling also intersected wide pegmatites with visible mineralisation, including an interpreted 112m-wide pegmatite, as announced in the [ASX release](#) on 5 June 2023.

This ~112m-wide section forms part of a continuous mineralised pegmatite, interpreted to be at least 780m long and outcrops between 36m and 106m wide at the surface, swelling significantly beneath the surface at depth.

During the quarter, Askari appointed Cliff Fitzhenry to the new role of Chief Exploration and Project Manager (Africa) to oversee and fast-track the company's exploration strategy at the Uis Lithium Project, as announced in the [ASX release](#) on 1 June 2023.

The forward exploration strategy at the Uis Lithium Project involves the Phase I Diamond Drilling campaign, which will take place in Q3 2023 to test the deeper mineralisation within the pegmatites.

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STRATEGIC INVESTMENT FROM HUAYOU COBALT

Askari successfully secured the strategic investment of approximately A\$2.5 million from Huayou International Resources (Hong Kong) Limited ("**Huayou**"), a wholly owned subsidiary of Zhejiang Huayou Cobalt Co., Ltd. The funds will be used to accelerate continued exploration of the Uis Lithium Project.

As announced in the [ASX release](#) on 9 May 2023, Askari issued Huayou 4,500,000 fully paid ordinary shares at an issue price of A\$0.55 per share together with 1,500,000 free attaching AS20 listed options.

The ordinary shares are subject to a 12-month voluntary escrow period pursuant to a binding restriction agreement executed between the Company and Huayou, while the free attaching options will be freely tradeable by Huayou.

Huayou can participate in future equity issues and intends to grow its equity position in Askari to 9.9% and maintain its equity stake by participating in future security issues by the Company.

It will also support Askari in areas of mutual strategic interest, including providing technical input and guidance for continued exploration, development and mine construction as well as downstream lithium processing.

Huayou is a tier-1 global lithium battery and cobalt materials supplier listed on the Shanghai Stock Exchange (China) with market cap of approximately A\$18 billion.

The strategic investment followed the completion of an initial 90% interest in EPL 7345, as announced in the [ASX release](#) on 11 April 2023, followed by the completion of the remaining 10% interest in the licence, as announced in the [ASX release](#) on 25 May 2023.

Following the completion of the strategic investment by Huayou, Askari also appointed Canaccord Genuity (Australia) Limited (“**Canaccord**”) to act as a strategic capital markets advisor to the Company, as announced in the [ASX release](#) on 16 May 2023.

Canaccord will work closely with the Company and Peak Asset Management in the implementation and deployment of a comprehensive capital markets strategy whilst the Company continues to develop the Uis Lithium Project in Namibia.

AUSTRALIAN LITHIUM ASSETS

During the quarter, Askari expanded its Eastern Pilbara lithium portfolio, completing its acquisition of 100% of the Hillside Lithium Project, as announced in the [ASX release](#) on 21 June 2023.

The acquisition of Hillside, which is situated in the Tambourah Lithium District, takes Askari’s significant landholding in Western Australia’s emerging Eastern Pilbara lithium region to approximately 2,300km².

During the quarter, Askari also provided an extensive exploration update across its Australian lithium, Rare Earth Elements (REE) and gold projects, as announced in the [ASX release](#) on 22 June 2023.

Exploration work at the Hillside Lithium Project identified several potentially spodumene-bearing lithium hosted pegmatites*. Several samples were collected from these outcrops, with results from lab analysis anticipated during the third quarter of 2023.

In addition to the mapping and sampling campaign completed at the Hillside Lithium project, soil auger campaigns were also completed on several other tenements, including Red Peak, Mt Maguire and Myrnas Hill.

Field exploration and geophysical programs are also underway at the Company’s Barrow Creek Project in the Northern Territory, targeting REE mineralisation.

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CORPORATE

- As at 30 June 2023, the Company had \$3.453 million in cash and cash equivalents with no debt
- The Company continues to evaluate additional complementary opportunities particularly in the battery metals space within Australia and globally

APPENDIX 5B CASHFLOW COMMENTARY

In Payments to related parties of the entity and their associates (refer to 6.1), the \$94,000 payment refers to the payment of non-executive fees and director consulting fees.

Cash outflows from operating activities for the quarter were \$680,000. Cash outflows from investing activities for the quarter were \$1,287,000. Cash inflows from financing activities for the quarter were \$2,421,000.

Cash and cash equivalents as at 30 June 2023 were \$3,453,000.

The Company looks forward to providing shareholders with further updates as planned exploration at the projects continues.

FINANCE AND USE OF FUNDS

Pursuant to ASX listing rule 5.3.4, the Company provides a comparison of its actual expenditure against the estimated expenditure on items set out in in section 6.6 of the Company's Prospectus.

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ACTIVITY DESCRIPTION: PROSPECT PROJECTS	FUNDS ALLOCATED UNDER PROSPECTUS (OVER 2 YEARS)	ACTUAL LISTING TO 30 JUNE 2023
Exploration Expenditure – Burracoppin Project	\$1,100,000	\$1,170,477
Exploration Expenditure – Mt Maguire Project	\$750,000	\$209,335
Exploration Expenditure – Horry Project	\$650,000	\$669,900
Exploration Expenditure – Springdale Project	\$200,000	\$198,766
Exploration Expenditure – Callawa Project	\$200,000	\$188,503
TOTAL	\$2,900,000	\$2,436,981

ACTIVITY DESCRIPTION: NON-PROSPECTUS PROJECTS	ACTUAL LISTING TO 30 JUNE 2023
Talga East Lithium Project	\$62,764
Mt Deverell Project	\$23,178
Red Peak REE Project	\$189,185
Barrow Creek Lithium Project	\$216,189
Yarrie Lithium Project	\$225,812
Myrnas Hill Lithium Project	\$141,895
Hillside Lithium Project	\$37,000
Uis Lithium Project	\$1,352,575
TOTAL	\$2,211,598

This announcement is authorised for release by the executive board

- ENDS -

FOR FURTHER INFORMATION PLEASE CONTACT**INVESTORS****Gino D'Anna**

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VICE PRESIDENT – EXPLORATION & GEOLOGY

M. +61 431 477 145**E.** johan@askarimetals.com**DISCLAIMER****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 PERSON 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.

ASX COMPLIANCE

Information contained within this announcement has been prepared based on reliance on ASX announcements as noted in the table below:

04 July 2023	Askari Expands Strategic Footprint at Uis Lithium Project
22 June 2023	Extensive Exploration Update Provided on Australian Assets
21 June 2023	Askari Completes Acquisition of Hillside Lithium Project, WA
05 June 2023	Askari Turns Attention to Next Phase of Exploration at Uis
01 June 2023	Exploration Team Strengthened to Fast-Track Uis Lithium
25 May 2023	AS2 Completes Acquisition of Remaining 10% Interest at Uis
17 May 2023	Askari Intersects Broad Lithium Pegmatites in Uis Drilling
16 May 2023	Askari Appoints Leading Investment Bank as Advisor
09 May 2023	Global Lithium Battery Supplier Completes Investment in AS2
04 May 2023	Askari Satisfies Conditions Precedent to Huayou Investment
13 April 2023	Askari Provides Exploration Update at Uis Lithium Project
11 April 2023	Askari Completes Acquisition of Initial 90% Interest EPL7345
04 April 2023	Agreement to Acquire Remaining 10% interest in EPL 7345

TENEMENT SUMMARY

TENEMENT ID	TYPE	STATUS	HOLDER	AREA (km ²)	AS2 INTEREST
E70/5049	Exploration	Active	First Western Gold Pty Ltd	17.6	100%
E45/5842	Exploration	Active	Springdale Gold Pty Ltd	167	100%
EL9217	Exploration	Active	Springdale Gold Pty Ltd	217	100%
E47/4170	Exploration	Pending	First Western Gold Pty Ltd	9 BL	100%
E52/3718	Exploration	Active	First Western Gold Pty Ltd	2 BL	100%
E52/3719	Exploration	Active	First Western Gold Pty Ltd	2 BL	100%
E80/5313	Exploration	Active	First Western Gold Pty Ltd	3.25	100%
E52/4010	Exploration	Active	First Western Gold Pty Ltd	101 BL	100%
E52/4025	Exploration	Active	First Western Gold Pty Ltd	142 BL	100%
E45/6117	Exploration	Pending	First Western Gold Pty Ltd		100%
E45/6118	Exploration	Pending	First Western Gold Pty Ltd		100%
E45/6119	Exploration	Pending	First Western Gold Pty Ltd		100%
E45/6120	Exploration	Pending	First Western Gold Pty Ltd		100%
E45/6121	Exploration	Pending	First Western Gold Pty Ltd		100%
E45/6122	Exploration	Pending	First Western Gold Pty Ltd		100%
E45/6123	Exploration	Pending	First Western Gold Pty Ltd		100%
E45/6124	Exploration	Pending	First Western Gold Pty Ltd		100%
E45/6125	Exploration	Pending	First Western Gold Pty Ltd		100%
EL 32804	Exploration	Active	Consolidate Lithium Trading Pty Ltd	278	Under Option
E45/4907	Exploration	Active	First Western Gold Pty Ltd	35 BL	100%
E45/5982	Exploration	Active	First Western Gold Pty Ltd	5 BL	100%
EPL 7345	Exploration	Active	Kokerboom Mineral Processing (Pty) Ltd	108km ²	100%
EPL 8535	Exploration	Active	Earth Dimensions Consulting (Pty) Ltd	200km ²	80%
EPL 7626	Exploration	Active	AstralL Dynamix Mining Investment CC	68km ²	100%