

ASX Announcement | 07 September 2023

Drilling to Commence at Trieste Lithium Project, James Bay, Quebec, Canada

Highlights:

- Drilling at the Trieste Lithium Project is planned to commence in late-September.
- Drilling will target Dyke #01, a large, prominent weathering-resistant outcrop ridge with a mapped surface expression of 4,000m² within a partially concealed 400m long zone of interest where the dyke may extend along strike.
- Dyke #01 is the largest dyke, by surface area and topographic prominence, of the five spodumene bearing pegmatite dykes discovered during the recent field mapping program¹.
- Results from the prioritised initial drill sites will support a more substantial drilling program planned for the upcoming Canadian winter.
- Loyal Lithium's discovery of the five distinct spodumene bearing pegmatite dykes is the first occurrence along the Trieste Greenstone Belt outside of the known spodumene bearing pegmatites of Winsome Resources' (ASX:WRI) Adina-Jamar discovery, located only 14 km west².
- The spodumene discovery at the Trieste Lithium Project complements Loyal Lithium's existing Canadian hard rock portfolio, which includes 2,250m of drill tested spodumene bearing pegmatite dykes at the Hidden Lake Lithium Project, NWT Canada.
- Note: Visual estimates of mineral abundance should never be considered a proxy or substitute for laboratory analyses where concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding impurities or deleterious physical properties relevant to valuations. Cross-sectional outcrop area implied from satellite and drone imagery, and field mapping, does not imply the subsurface pegmatite extents.

Loyal Lithium Limited (ASX:LLI) (**Loyal Lithium, LLI**, or the **Company**) is pleased to announce that it plans to commence an initial drilling program at its Trieste Lithium Project in late September. The drilling will target Dyke #01, a large, prominent weather-resistant outcrop ridge with a mapped surface expression of 4,000m² with an approximate length of 200m and an apparent maximum width up to 35m (Figure 1). Dyke #01 is the largest outcrop by surface area and topographic prominence of the five spodumene-bearing pegmatite dykes discovered during the recent field mapping and sits within a 400m long zone of interest (Photo 1). Dyke #01 is located on mineral claims held by Trieste Lithium Project Inc. (a 100% owned subsidiary of the Company). The drill results, in addition to planned geophysical work, will provide valuable information about the potential of the project and inform a more substantial drilling program planned for the upcoming Canadian winter.

Loyal Lithium’s Managing Director, Mr. Adam Ritchie, commented:

“We are excited to commence drilling at this really promising project. The swift engagement of a drilling contractor and the coordination of this initial drilling program are a testament to the dedication of the Loyal Lithium team and our partners at the Trieste Lithium Project.”

“The large-scale project is underexplored and untouched by recent bushfires, so it is covered in thick vegetation that may be concealing extensions of what already appear to be large spodumene-bearing pegmatite dykes. The initial drill results from Dyke #01 will also provide valuable information about the local geology that will be utilised to plan future drilling.”

Loyal Lithium's discovery of the five spodumene-bearing pegmatite dykes, marks the first occurrence of such dykes along the Trieste Greenstone Belt outside of the known Winsome Resources' (ASX:WRI) Adina-Jamar discovery, located only 14 kilometers west. The spodumene discovery at the Trieste Lithium Project complements Loyal Lithium's existing Canadian hard rock portfolio, which includes 2,250 meters of drill tested spodumene-bearing pegmatite dykes in addition to six recently discovered spodumene zones at the Hidden Lake Lithium Project in the Northwest Territories of Canada.

TRIESTE LITHIUM PROJECT – DYKE #01 INSIGHTS

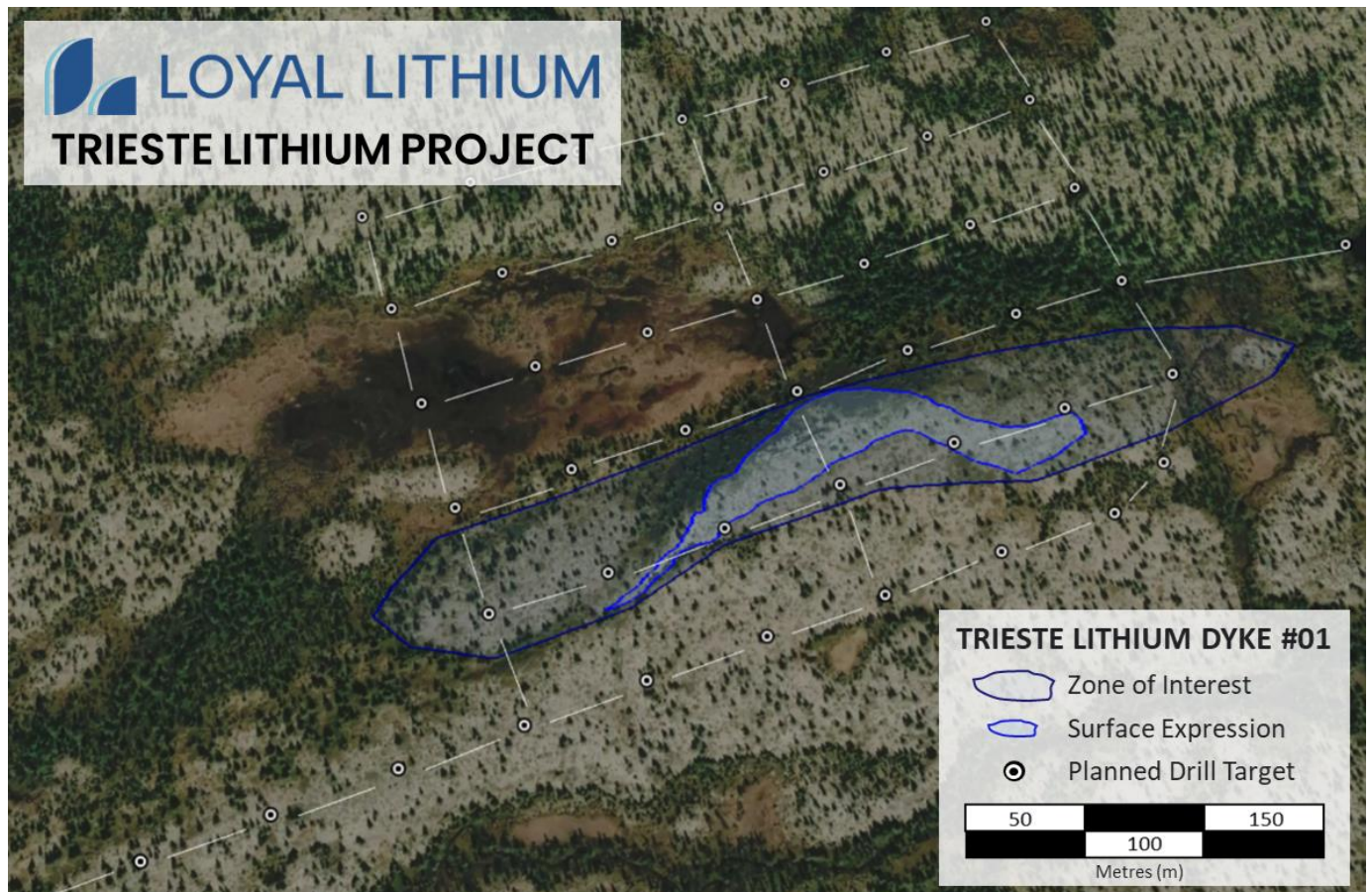


Figure 1: Trieste Lithium Project Dyke #01 drilling sites with Area of Interest and Surface Expression. shown on a true colour 2015 Pleiades satellite plan image (© CNES 2015, Distribution AIRBUS DS)



Photo 1: Dyke #01, outcrop TR23AS-15 & 30. A large, prominent weathering-resistant outcrop ridge mapped as a spodumene-quartz-feldspar-muscovite pegmatite. Photo view to the southwest, with an A-Star helicopter shown in the west and geologist traversing the dyke in the centre.



DYKE #01 : MAIN SURFACE EXPRESSION

5 10 15 20 25 Metres (m)

Photo 2: Dyke #01, outcrop TR23AS-15. Main outcrop mapped as a spodumene-bearing pegmatite. Drone photo in plan view showing the main Surface Expression.



Photo 3: Dyke #01 pegmatite photo with >20% spodumene mineral crystals (flat, tabular, bladed elongated crystals, darker colours, preferentially oriented from top to bottom of photo) up to >0.5 metre long, perpendicular to the geological contact with metasediments. Coordinates: 683,109mE: 5,906,111mN: UTM NAD83 Zone 18. Note tree bark on pegmatite surface.

THE TRIESTE LITHIUM PROJECT

Loyal's Trieste Lithium Project ^(3,4,5,6) (Figure 3) is a large-scale lithium Project located 14km east of Winsome Resources' (ASX: WR1) Adina Lithium Project drill hole that recently recorded a significant Lithium mineralised intercept of 1.34% over 107.6m⁽²⁾. Importantly, Loyal Lithium acquired the Trieste Lithium Project in October 2022, prior to the recent drill campaign results at the Adina Lithium Project.

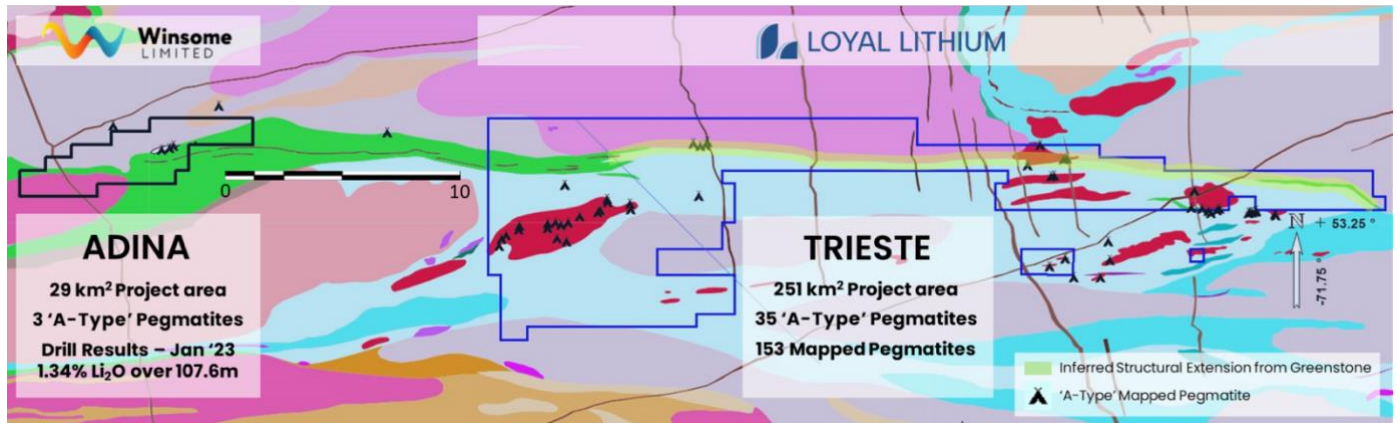


Figure 3 – Trieste Lithium Project – GSQ Region Interpretation (1:100k)

Loyal Lithium is the largest land holder within the highly prospective Trieste Greenstone Belt. The Trieste Lithium Project covers 251 km², which is 8.6 times larger than Winsome Resources' (ASX:WRI) Adina Lithium Project. The project area includes a 39 km long contact zone in the Trieste Greenstone Belt with a significant amount of historical data. Although prior to the Company's most recent field exploration campaign the project had never previously been explored for lithium, it contained an anomalous historical lithium outcrop assay site and the highest above background values in the region, of pegmatite lithium indicator elements including caesium, rubidium, gallium, tin, beryllium and boron.

There are established operations facilities 40km to the south of the project with an active mining operation at the Renard Stornoway Diamond Mine that has an all-weather access road from the south, Route 167. Additionally, the all-weather Trans-Taiga Road is located 65km north of the project. The Quebec government has budgeted for significant infrastructure investment to develop the northern part of the proposed 'La Grande Alliance' road Route 167 north, to connect the Trieste Greenstone Belt to the Trans-Taiga Road to the north and to Chibougamau to the south.

This announcement has been authorised for release by Loyal Lithium's Board of Directors

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About Loyal Lithium

Loyal Lithium Limited (ASX: LLI) is a well-structured listed resource exploration company with projects in Tier 1 North American mining jurisdictions in the Northwest Territories, Canada, James Bay Lithium District in Quebec, Canada and Nevada, USA. Through the systematic exploration of its projects, the Company aims to delineate JORC compliant resources, creating value for its shareholders.

Future Performance

This announcement may contain certain forward-looking statements and opinion. Forward-looking statements, including projections, forecasts and estimates, are provided as a general guide only and should not be relied on as an indication or guarantee of future performance and involve known and unknown risks, uncertainties, assumptions, contingencies and other important factors, many of which are outside the control of the Company and which are subject to change without notice and could cause the actual results, performance or achievements of the Company to be materially different from the future results, performance or achievements expressed or implied by such statements. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecast. Nothing contained in this announcement, nor any information made available to you is, or and shall be relied upon as, a promise, representation, warranty or guarantee as to the past, present or the future performance of Loyal Lithium Limited.

Qualified and Competent Person

The information in this announcement that relates to exploration results is extracted from the following ASX announcements:

ASX Announcement LLI: 22 August 2023 Six Additional Spodumene Zones Identified at the Hidden Lake Lithium Project, NWT, Canada

ASX Announcement LLI: 16 August 2023 Multiple Spodumene Bearing Pegmatite Dykes Discovered at the Trieste Lithium Project, James Bay, Canada

ASX Announcement LLI: 27 March 2023 Identification of Multiple High Value Targets at Trieste Lithium Project, James Bay, Canada

which are available to view at www.loyallithium.com.au and www.asx.com.au. 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 content in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

References

¹ ASX Announcement LLI: 16 August 2023 Multiple Spodumene Bearing Pegmatite Dykes Discovered at the Trieste Lithium Project, James Bay, Canada

² ASX Announcement WRI: 6th January 2023. Strong lithium mineralisation recorded from first Adina drill hole assays

³ ASX Announcement LLI: 27 February 2023. High Resolution Aeromagnetic Survey completed at Trieste Lithium Project to support Pre-emptive Drilling Permit Application

⁴ ASX Announcement LLI: 20th October 2022. Monger triples land position with the acquisition of the Trieste Lithium Project in the James Bay Lithium District, Quebec

⁵ ASX Announcement LLI: 27 March 2023 Identification of Multiple High Value Targets at Trieste Lithium Project, James Bay, Canada

⁶ ASX Announcement LLI: 8 August 2023 Inaugural Field Program Commenced at Trieste Lithium Project