

LANDHOLDING INCREASED BY 11% AT PRAIRIE LITHIUM PROJECT

HIGHLIGHTS

- AZL has increased its mineral title interest by 39,331 net acres (approx. 159km²) at its Prairie project, increasing the project’s total mineral title interest to over 390,000 acres (approx. 1578km²).
- The minerals are being leased from a large mineral title holder in locations that are strategic to commercial development for the Prairie project.
- The new lease acreage is contiguous to Prairie’s existing landholding, which improves the economics for future production estimated for the first half of 2025.
- The Company has initiated resource assessment work on the land to understand the resource size and potential.

Arizona Lithium Limited (ASX: AZL, AZLO, AZLOA, OTC: AZLAF) (“Arizona Lithium”, “AZL” or “the Company”), a company focused on the sustainable development of two large lithium development projects in North America, the Big Sandy Lithium Project (“Big Sandy”) and the Prairie Lithium Project (“Prairie”), is pleased to announce it has acquired additional interest in 39,331 net acres (approx. 159km²) for the Prairie project in Saskatchewan, Canada, representing an 11% increase. The leases were acquired from a strategic freehold mineral title holder who holds land across the Prairie project area and under the agreement, Arizona Lithium has leased the lithium rights within specific formations on the acquired properties. The Company has initiated resource assessment work on the land to understand the resource size and potential.

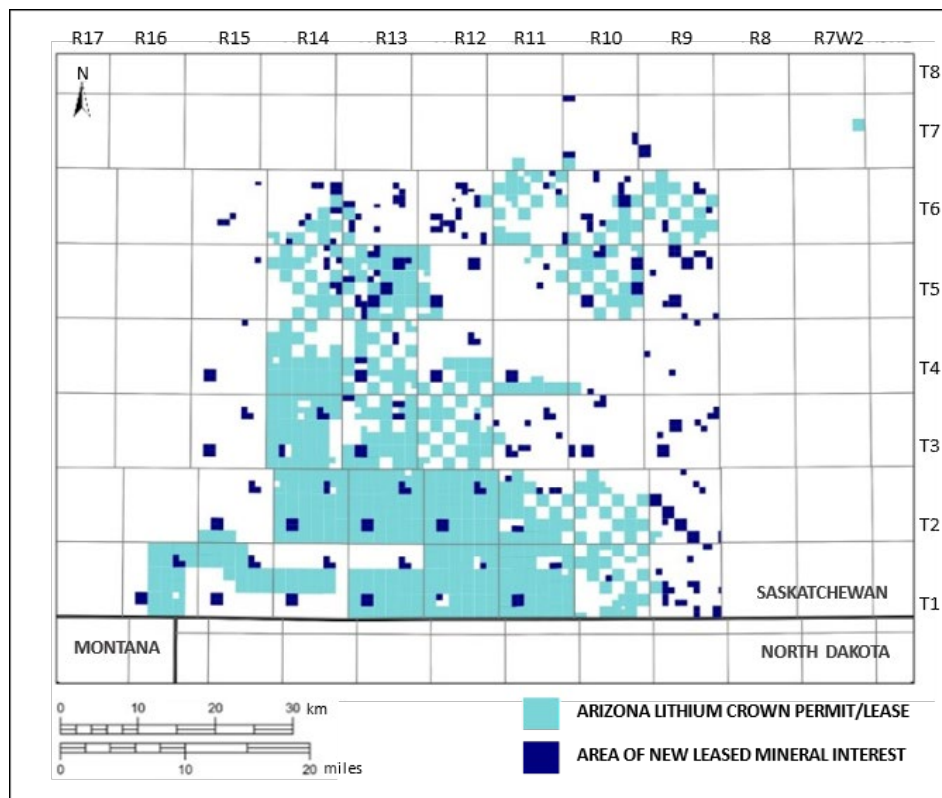


Figure 1: Prairie Land Map

Arizona Lithium Managing Director, Paul Lloyd, commented: “Increasing our acreage in these strategic locations allows us greater flexibility for future exploration and production. Our team has kicked off the resource assessment work for these new properties, and I look forward to sharing the results shortly. We have one of the best land positions in Canada and this acquisition makes it even better. This was an opportunistic increase in the Prairie landholding complementary to our strategy of driving towards production commencing in 2025, which would make Prairie one of the fastest to market lithium development projects”.

About the Prairie Lithium Project

AZL’s Prairie Lithium Project is located in the Williston Basin of Saskatchewan, Canada. The Prairie Project resource is 5.7 MT of LCE, composed of 4.0 MT LCE Indicated and 1.7 MT LCE Inferred¹. Located in one of the world’s top mining friendly jurisdictions, the projects have easy access to key infrastructure including electricity, natural gas, fresh water, paved highways and railroads. The projects also aim to have strong environmental credentials which should result in less use of freshwater, land and waste, aligning with AZL’s sustainable approach to lithium development.

Arizona Lithium also holds a proprietary lithium extraction process technology that selectively removes lithium from Brine. The Prairie Lithium Ion Exchange (“**PLIX**”) is an ion-exchange material that selectively extracts lithium from brine, using equipment which is anticipated to be readily available at commercial scale. PLIX may have a global application, with the process currently being tested on lithium resources from around the world (including encouraging results with Big Sandy). While Prairie Lithium continues to develop, scale and operate its own DLE technology, the company is also testing other DLE technologies to ensure it deploys the most cost-effective technology onto its resource.

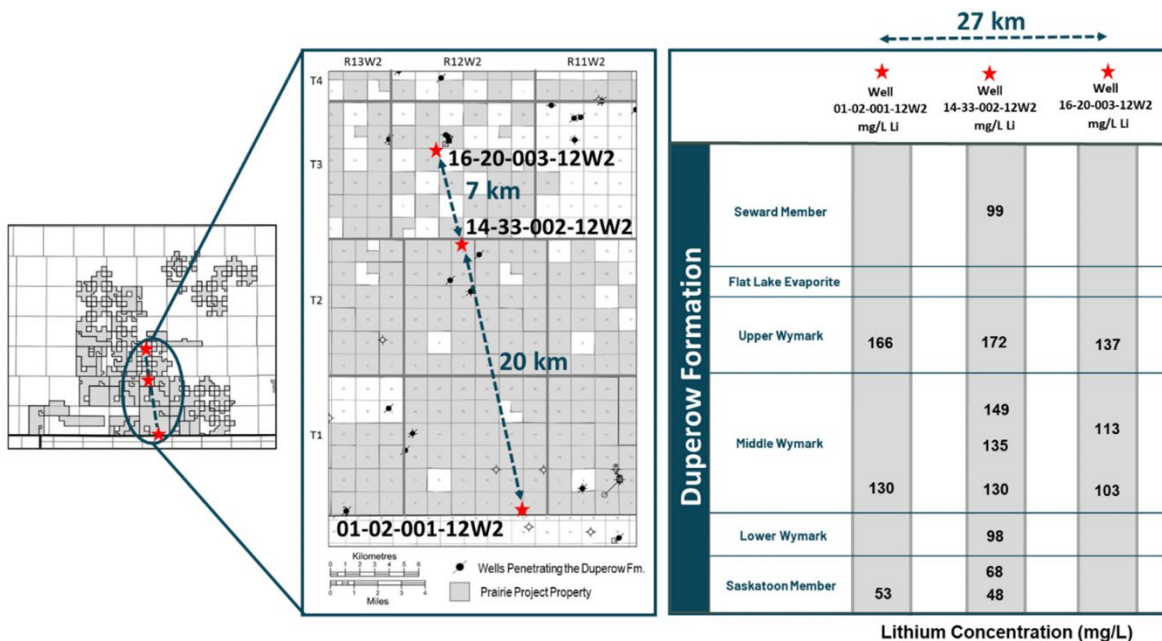


Figure 2: Location map and representative lithium concentrations from Arizona Lithium’s test wells²

¹ PRAIRIE PROJECT RESOURCE UPGRADED 39% - ASX Announcement (August 17, 2023)

² Lithium Concentrations measured by Isobrine Solutions and confirmed by one other commercial laboratory in Edmonton, Alberta

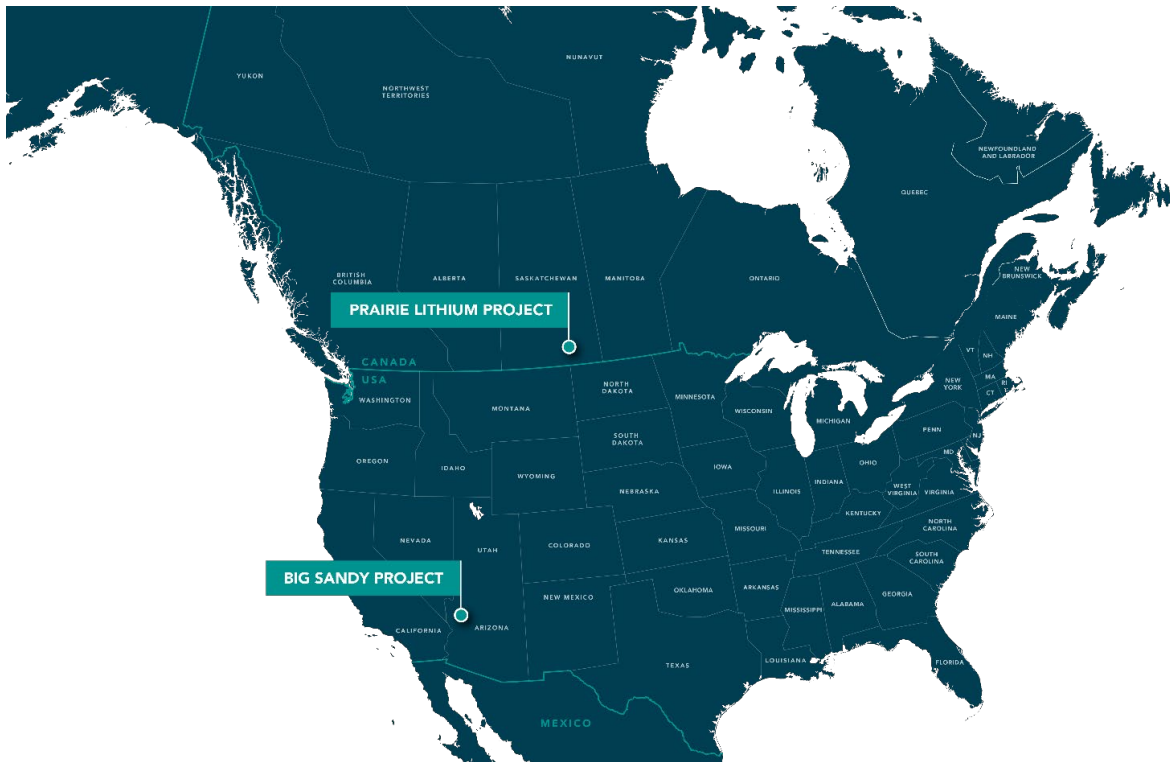


Figure 3: Location of Arizona Lithium's core projects

This ASX announcement is authorised for release by the Board.

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Competent Persons statement

Gordon MacMillan P.Geol., Principal Hydrogeologist of Fluid Domains, who is an independent consulting geologist of a number of brine mineral exploration companies and oil and gas development companies, reviewed and approves the technical information provided in the release. Mr. MacMillan is a member of the Association of Professional Engineers and Geoscientists of Alberta (APEGA), which is ROPO accepted for the purpose of reporting in accordance with the ASX listing rules. Mr. MacMillan has been practising as a professional in hydrogeology since 2000 and has 23 years of experience in mining, water supply, water injection, and the construction and calibration of numerical models of subsurface flow and solute migration. Mr. MacMillan is also a Qualified Person as defined by NI 43-101 rules for mineral deposit disclosure.

Information in this announcement that relates Exploration Results or to Mineral Resources have been extracted from the Company's announcement released to ASX on 14 August 2023. The announcement is available to view on the Company's website: www.arizonalithium.com. 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 and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which Mr MacMillan's findings are presented have not been materially modified from the original market announcement.