

ASX Announcement | 30 January 2024

Focused Drilling Program Underway at the Trieste Lithium Project, James Bay, Quebec, Canada

Highlights:

- Drilling recommences at the Trieste Lithium Project, with an initial focus on Dyke #04 and Dyke #05 – two of the six discovered spodumene bearing pegmatite dykes.
- Dyke #04 and Dyke #05 display impressive spodumene mega crystals at surface and have recorded strong mineralisation of up to 7.60% Li₂O via recent rock chip and channel sample assays.
- The cost-effective drilling program seeks to gain valuable insights into the geological context by covering up to 2,500m prior to planning additional drilling initiatives.
- Substantial reductions to Trieste drilling costs have been achieved via utilising a drilling company, logistics supplier and camp facilities from the nearby First Nation community of Mistissini.
- The project's six known spodumene bearing pegmatite dykes occur within a 20km² fertile metasediment host zone located between the Trieste Greenstone Belt and Tilly granitoid.
- Dyke #01 drill core assay results confirmed a major lithium discovery at the Trieste Lithium Project with high grade spodumene bearing pegmatite drill intercepts including 87.5m at 1.3% Li₂O and 40.0m at 1.2% Li₂O.
- Loyal Lithium is well capitalised with \$9.6m in cash¹ to conduct this focused low-cost drill program this Canadian winter.
- The Trieste Lithium Project is located along the prolific Trieste Greenstone Belt and sits just 10km east of Winsome Resources' (ASX:WR1) Adina-Jamar project with a JORC Inferred Mineral Resource Estimate of 59 Mt at 1.12% Li₂O².

Loyal Lithium Limited (ASX:LLI) (**Loyal Lithium, LLI**, or the **Company**) is pleased to announce that the winter drilling campaign is underway at the Trieste Lithium Project in the James Bay region of Québec, Canada. The focused low-cost drilling program aims to cover up to 2,500 meters and target the prominent spodumene bearing pegmatite dykes of Dyke #04 and Dyke #05. The Company remains focused on the efficient allocation of capital with a substantial reduction in drilling costs forecasted via the use of service providers and camp facilities from the nearby First Nation community of Mistissini.

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

"We are thrilled to announce the recommencement of drilling at the Trieste Lithium Project in collaboration with Dahrouge Geological Consulting and our new contracting partners from the nearby Mistissini community."

"Our successful 2023 summer program at Trieste resulted in a major lithium discovery, and we are now eager to further define and grow this discovery throughout 2024."

"The Trieste Greenstone Belt has emerged as a significant hub for recent lithium discoveries, with four companies actively exploring within an 18km trend. Considering the bushfire restrictions of last summer, the region is likely still underexplored, and the true potential of the area is yet to be fully revealed."

"We believe that this focused and low-cost drill program is the most effective and strategic way to continue to advance the Trieste Lithium Project whilst maintaining a healthy cash position."



Image 1: Drilling rig in position on Dyke #05.



Image 2: Trieste Lithium Project – Dyke #04 drone image with geologists conducting channel sampling.



Image 3: Trieste Lithium Project – Dyke #05 drone image.

Both Midland Exploration, in partnership with Rio Tinto at the nearby Galinée project, and Azimut Exploration, at their own project named Galinée, have recently confirmed lithium mineralization from spodumene-bearing outcrops or drill core results in early 2024. These findings, combined with Winsome Resources (ASX:WRI) Adina-Jamar project, which has a JORC Inferred Mineral Resource Estimate of 59 Mt at 1.12% Li₂O⁽²⁾, provide further confirmation of the existence of a significant lithium-bearing system centered around the Trieste greenstone belt. In fact, a total of five projects now validates the presence of this mineralization trend (Figure 1).

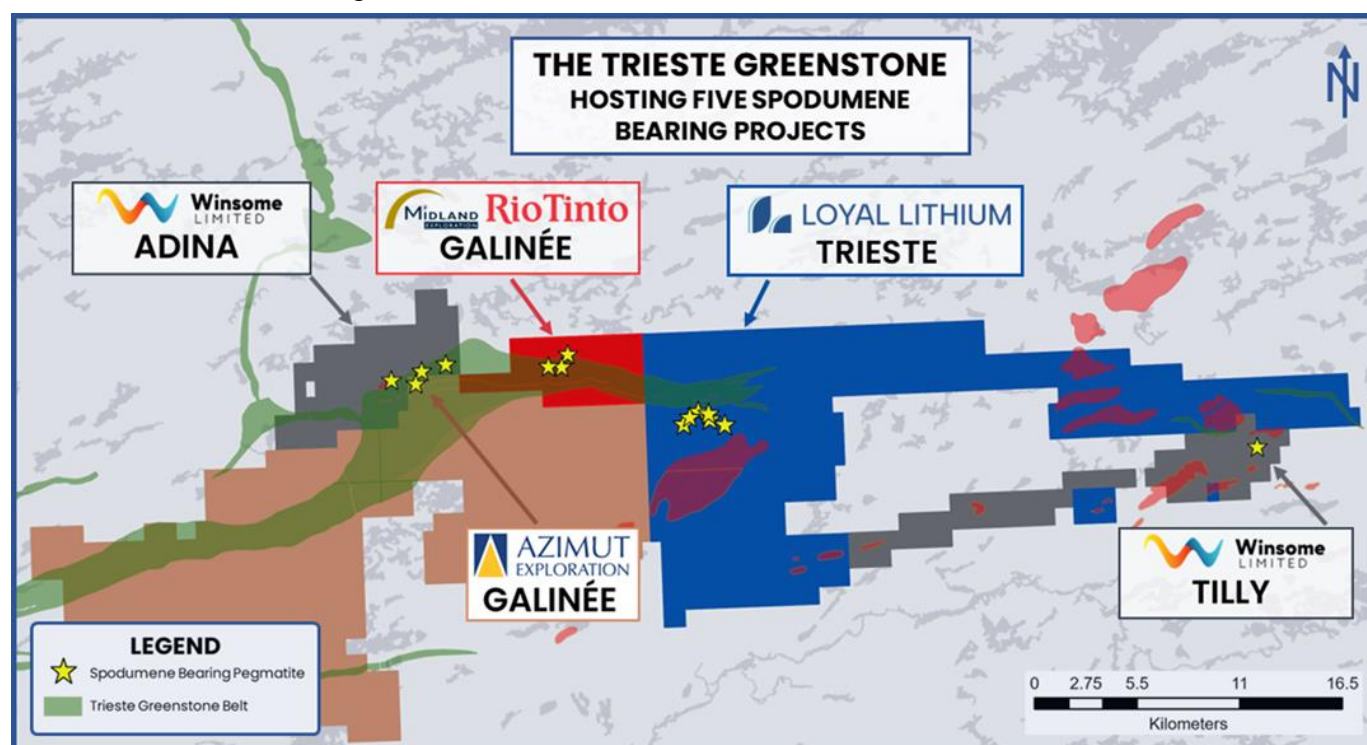


Figure 1 – Trieste Lithium Project – Five spodumene bearing projects along the Trieste Greenstone Belt.

Loyal Lithium remains focused on delivering additional strong results from the Trieste Lithium Project and will keep our Loyal investors informed once drill core assay results are received. An alternative assay provider has also been engaged to improve turnaround time on results.

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 and Targets, is based, and fairly reflects, information compiled by Mr. Darren Allingham, who is the Company's geologist. Mr. Allingham is a Fellow of the Australian Institute of Geoscientists. Mr. Allingham has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and the activity he is undertaking to qualify as a Competent Person (CP) as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results and Mineral Resources (JORC Code). Mr. Allingham consents to the inclusion in the announcement of the matters based on the information in the form and context in which it appears.

References

¹ ASX Announcement LLI: 31 October 2023 Quarterly Activities Report – 30 September 2023.

² ASX Announcement WRI: 11 December 2023: Globally significant maiden Mineral Resource of 59 Mt at 100% owned Adina Lithium Project.