



ASX Announcement | 05 February 2024

## December 2023 Quarterly Activities Report (Replacement)

- PAM continues to progress its projects and is currently in discussions with EV OEMs and or lithium chemical producers on each of its projects in Thailand, Vietnam and Chile.
- PAM delivered a Mineral Resource Estimate (MRE) upgrade for the RK Lithium Project in Thailand, increasing the MRE tonnes by 42% to 14.8Mt, increasing the contained LCE by 46% to 164,500 tonnes, and moving 75% of the MRE to Measured and Indicated.
- PAM reported additional geochemical sampling of surface salt crusts at Salar Dolores over a strike length of approximately 20km. PAM collected 26 samples with 10 returning values of >200ppm Li and averaging 319ppm Li with a highest value of 608ppm Li. Previous work yielded four of seven samples averaging 419ppm Li ranging up to 1250 ppm Li. Elevated boron, potassium and magnesium are also associated with elevated Li and the geochemical signature of surface salt crusts at Salar Dolores are similar to Salar de Atacama.
- PAM has begun a collaboration with one of Thailand's largest cement producers on the use of concentrate and lithium chemical processing residues in cement manufacturing, with initial testwork confirming this application. Further work confirms that the bulk mine waste is inert and may be suitable for aggregates and land reclamation.
- During the Quarter PAM raised A\$1,450,000 (before costs) by way of a placement to new and existing sophisticated and institutional shareholders via the issue 9,666,667 fully paid ordinary shares at \$0.15 per share (Shares). The Company's Chairman and Managing Director, Paul Lock, subscribed \$200,000.

***Pan Asia Metals' Managing Director, Paul Lock, commenting on the Quarter said:*** "During the December Quarter, PAM continued to build value in its projects, delivering an updated Mineral Resource Estimate of 14.8 million tonnes with 165,000 tonnes contained LCE for the RK Lithium Project, and executed Option Agreements for 1,200 square kilometers or 120,000 Hectares of tier 1 lithium exploration ground in Chile. PAM is in discussions with EV OEMs and or lithium chemical producers on each of its projects in Thailand, Vietnam and Chile, and the Company is well positioned to build substantial value into its projects during 2024. Although the underlying lithium carbonate equivalent (LCE) price environment has deteriorated substantially during 2023, the demand for electric vehicles has continued to increase. Based on battery production, inventory and demand statistics, which has battery inventory at less than 1x monthly demand, we believe the LCE price is set to move back toward more sustainable levels. Nevertheless, the recent move instills a flight to low cost projects which can continue to reliably deliver product at the bottom of the price cycle, whether it be concentrate or chemicals. In essence, the commodity price cycle is inevitable but a project's position on the cost curve is essentially static. As we have seen, in high price environments the project cost environment is often overlooked, that's geography, energy and labour, and its application to capital and operating costs, and regulation as a time cost, now we are seeing the battery and EV OEMs starting to reassess this as their future supply lines are in doubt. PAM is perfectly positioned to benefit."

### PAN ASIA METALS LIMITED

Level 6, 77 Robinson Road, Robinson 77, Singapore, 068896  
Level 23, 52 Thaniya Plaza, Silom Road, Bangrak, Bangkok, 10500  
[www.panasiametals.com](http://www.panasiametals.com)

**Battery and critical metals explorer and developer Pan Asia Metals Limited (ASX: PAM) ('PAM' or 'the Company')** is pleased to provide this Quarterly Activities Report, summarising activities for the Quarter ending 31 December 2023 (Quarter).

**STRATEGY IN BRIEF**

PAM's MOUs with IRPC in Thailand and VinES in Vietnam are proving beneficial, setting PAM on a course for nearer term cash flow. Reung Kiet is progressing very well, PAM and IRPC are collaborating on a number of fronts, including with Government on ML processes, location of a chemical plant, and Chinese concentrate producers and LCE processors on best practice for LCE production from mica style lithium ores. PAM's MOU with VinES has helped open dialogues with a range of supply chain participants. The Pre-Feasibility Study is near completion and negotiations on a definitive agreement are progressing.

PAM's Tama Atacama Lithium Project in Chile is positioning PAM for longer term growth. The scale of Tama Atacama sets the project apart from the peer group, being one of the largest and most strategic holdings in South America. While PAM's initiatives in SE Asia position PAM for near term cash flow, Tama Atacama has the potential to provide scale and long-term growth. Tama Atacama adheres to PAM's requirement for highly prospective projects which are easily accessible, close to all key infrastructure, with ample water supply, and with rail near an emerging lithium chemical manufacturing hub, rendering the project complementary to PAM's midstream lithium chemical processing aspirations in Southeast Asia. As several lithium chemical manufacturers are looking to establish in Chile, south of PAM's Tama Atacama Project and on rail, PAM is very well positioned.



Figure 1. Strategy in Brief.



## QUARTERLY ACTIVITY

PAM's focus during the quarter was on consolidating its activities in Thailand and finalising negotiations in Chile, which led to the execution of the Option Agreements announced on the 2 January, 2024.

On 2 November, the Company announced a Mineral Resource Estimate (MRE) upgrade for the RK Lithium Project in Thailand, increasing the MRE tonnes by 42% to 14.8Mt and increasing the contained LCE by 46% to 164,500 tonnes. See PAM's ASX announcement dated 13 December, 2023, and titled '*Mineral Resource Estimate Upgrade, RK Lithium Prospect – 42% Increase to 14.8 Million Tonnes*'.

Importantly, 75% of the MRE was moved into the Measured and Indicated categories and the bulk of the MRE is located from surface to 150m in depth, i.e. its amenable to open cut mining.

**Table 1. RK Lithium Prospect – Mineral Resource at a 0.25% Li<sub>2</sub>O cut-off (2<sup>nd</sup> November 2023)**

Resource Category	Resource (Mt)	Li <sub>2</sub> O %	Sn ppm	Ta <sub>2</sub> O <sub>5</sub> ppm	Rb %	Cs ppm	Cont. LCE
Measured	7.80	0.44	410	74	0.20	230	85,289
Indicated	3.26	0.49	349	85	0.20	261	39,375
Inferred	3.74	0.41	390	78	0.19	229	38,252
<b>Total</b>	<b>14.80</b>	<b>0.45</b>	<b>391</b>	<b>77</b>	<b>0.20</b>	<b>237</b>	<b>164,500</b>

*Note: Contained LCE for individual Resource categories is subject to tonnes and grade rounding.*

On 8 November, the Company provided an exploration update for the Salar Dolorus Lithium Prospect, the northern most block of the Tama Atacama Lithium Project. See PAM's ASX announcement dated 8 November, 2023, and titled '*Tama-Atacama Lithium Project Exploration Update – Salar Dolores Lithium Prospect*'.

PAM had conducted additional geochemical sampling of surface salt crusts at Salar Dolores over a strike length of approximately 20km. Previous exploration by PAM's partners, Rajo, yielded four of seven samples averaging 419ppm Li ranging up to 1250 ppm Li. PAM had collected 26 samples at Dolores North, 10 returned values of >200ppm Li and averaged 319ppm Li with a highest value of 608ppm Li. Elevated boron, potassium and magnesium are also associated with elevated Li and the geochemical signature of surface salt crusts at Dolores similar to Salar de Atacama.

On 13 December, the Company announced that it was collaborating with one of Thailand's largest cement producers on the use of lithium concentrate and lithium chemical processing residues in cement manufacturing, with testwork confirming this application. See PAM's ASX announcement dated 13 December, 2023, and titled '*RK Lithium Project - Feasibility Update, Waste to By-product Testwork*'.

If successful, and indications to date are positive, the use of processing residues in cement manufacturing will help waste handling and management and also produce a major ESG outcome for PAM. Testwork is currently being conducted on lithium conversion residues. The cement producer benefits from a reduced carbon footprint and a superior product.



Testwork has also been conducted on siltstone waste with confirmation that it is chemically benign. The siltstone associated with lithium mineralisation has been heated and is therefore hard, which means there is potential for application in aggregates and land reclamation.

## STRATEGY

PAM's objective is to identify and develop battery and critical metals projects which have the potential to be situated in the lower third of the cost curve, are situated in low cost jurisdictions, are proximal to advanced industrial centres or emerging lithium chemical manufacturing centres, which have the potential to generate low to zero carbon footprints, as well as position the Company for downstream value adding opportunities.

PAM's primary objective is the development of the Reung Kiet Lithium Project (Reung Kiet) located in Southern Thailand. PAM is currently undertaking the necessary technical and economic studies required in anticipation of delivering a Pre-Feasibility Study for the production of lithium carbonate and/or lithium hydroxide. Complementing Reung Kiet, is PAM's Kata Thong Lithium Project, located 30km to the north, which is under application.

PAM is also pursuing additional value-adding opportunities for these projects, such as the production of Cathode Active Materials, through its MOU with IRPC, a cooperation agreement between the parties for the evaluation of developing linked components of the lithium-ion battery supply chain in Thailand, i.e. mining in southern Thailand to produce lithium oxide concentrate, a lithium conversion facility in IRPC's Industrial Zone located in the Rayong Province, Thailand, to produce  $\text{Li}_2\text{CO}_3$  or  $\text{LiOH}$  chemicals; and a Cathode Active Material (CAM) facility which is to be located in the same industrial zone. PAM has also entered into an MOU with VinES in Vietnam, a lithium-ion battery manufacture and subsidiary of VinFast, which is producing high end EVs. Under the MOU, PAM is currently conducting feasibility work for a lithium conversion facility which is to be located near the VinES battery plant and the VinES-Gotion joint venture LFP Cathode Active Material plant.

PAM has entered into binding Option Agreements to Purchase 100% of the ~1,200km<sup>2</sup> Tama Atacama Lithium Brine Project (Tama Atacama). Tama Atacama is one of the largest lithium brine projects in South America, with ~120,000ha (~1,200km<sup>2</sup>) holdings across three salars. Extensive lithium surface anomalies with elevated lithium results up to 2,200ppm Li and averaging 700ppm Li (270ppm Li cutoff) extend over 160km north to south. Tama Atacama is a Tier 1 asset in a Tier 1 jurisdiction and PAM is already in discussions with potential strategic partners.

Operating in Southeast Asia gives the Company access to modern industrial economies with globally competitive cost environments, and the fastest growing and most populous region on earth. Operating in Chile positions PAM to create a large long-term, low-cost supply of lithium with potential pathways to chemical manufacturing in Chile through joint venture.

Given the growth forecasts for electric vehicles and the subsequent demand for lithium chemicals, and more recently the fall in lithium prices – a natural process of the price cycle – PAM's strategy is relevant in a dynamic price environment. Simply put, PAM is positioned with the right assets and in the right geographies, and hence for low cost production which will survive the commodity price cycle, so as to attract the right joint venture partners to enable PAM to play an important and material role in the electrochemical industry.



## CORPORATE

### General

During the Quarter PAM raised A\$1,450,000 (before costs) by way of a placement to new and existing sophisticated and institutional shareholders via the issue 9,666,667 fully paid ordinary shares at \$0.15 per share (Shares). See PAM's ASX announcement dated 25 October 2023, and titled '*PAM Share Placement*'.

The Company's Chairman and Managing Director, Paul Lock, subscribed \$200,000 and the Company's Technical Director and Chief Geologist, David Hobby, subscribed \$40,000 with the issue of these Shares subject to Shareholder approval at an Extraordinary General Meeting.

During the Quarter there were no other material Corporate matters.

### Finance

PAM is a US Dollar reporter and therefore its financial statements are reported in US Dollars, including its Quarterly Appendix 5B.

Cash at bank at the end of the Quarter was A\$175k (US\$120k). On 29 January 2024, PAM announced a Share Placement and as at release of this report, the placement was ongoing.

PAM's expenditure during the Quarter was as follows:

Item	US\$ ('000s)	A\$ ('000s)
<b>Cash Balance at beginning of Quarter</b>	<b>104</b>	<b>165</b>
Staff Costs	(56)	(84)
Administration and Corporate Costs	(35)	(53)
Exploration and Evaluation	(628)	(946)
Other	11	17
Proceeds from Issue of Shares	778	1,137
Capital raising costs	(46)	(67)
Advance received for the issuance of share	37	54
FX Movements	(45)	(48)
<b>Cash Balance as at 31 December 23</b>	<b>120</b>	<b>175</b>

During the Quarter the Company made payments of US\$41k (A\$62k) to Directors of the Company towards their remuneration.



## EVENTS SUBSEQUENT TO QUARTER END

Subsequent to the Quarter end PAM announced the following:

### **Tama Atacama Lithium Project**

PAM announced that it had converted MOUs into binding Option Agreements to purchase 100% of the Tama Atacama Lithium Brine Project, one of the largest brine projects in South America with holdings of ~120,000 Hectares (~1,200km<sup>2</sup>) across several strategically positioned salars. See PAM's ASX announcement dated 02 January, 2024, and titled '*PAM signs Formal Documentation to Acquire 100% interest in ~1,200km<sup>2</sup> Tama Atacama Lithium Brine Project*'.

### **Tama Atacama Lithium and RK Lithium Project Update**

PAM provided a general update for both the Tama Atacama Lithium and RK Lithium projects. See PAM's ASX announcement dated 08 January, 2024, and titled '*General Project Update – Tama Atacama and RK Lithium Projects*'.

### **RK Lithium Project Drilling Update**

PAM provided a drilling update for the RK Lithium projects. See PAM's ASX announcement dated 11 January, 2024, and titled '*RK Lithium Project – Drilling Update*'.

### **Tama Atacama Lithium Project**

PAM announced the grant of a net total of ~211km<sup>2</sup> or ~21,100 Hectares of Exploration Concessions on the Pink Lithium Prospect, taking the total granted Exploration Concessions area under binding Option Agreements to 286km<sup>2</sup> or 28,600 Hectares. See PAM's ASX announcement dated 12 January, 2024, and titled '*Tama Atacama Lithium Project – Exploration Concessions Granted*'.

### **Tama Atacama Lithium Project**

PAM announced the grant of an additional net total of ~100km<sup>2</sup> or ~10,000 Hectares of Exploration Concessions on the Dolores North and Dolores South Lithium Prospects, taking the total granted Exploration Concessions area under binding Option Agreements to 386km<sup>2</sup> or 38,600 Hectares. In addition there was a further net total of ~205km<sup>2</sup> or ~20,500 Hectares of Exploration Concessions granted on the PowerLine Lithium Prospect which is currently under MOU. See PAM's ASX announcement dated 29 January, 2024, and titled '*Tama Atacama Lithium Project – Exploration Concessions Granted*'.

Ends

Authorised by:  
Board of Directors



## SUMMARY OF ASX ANNOUNCEMENTS

Date	Price Sensitive	Title	Relevant Project(s)
23 Oct 2023	\$	Trading Halt	RKLP
25 Oct 2023	\$	Share Placement	RKLP
25 Oct 2023	\$	Proposed issue of securities - PAM	TALP
30 Oct 2023	\$	Quarterly Activities/Appendix 5B Cash Flow Report	TALP
01 Nov 2023		Application for quotation of securities - PAM	RKLP
02 Nov 2023	\$	Reung Kiet Lithium Project Mineral Resource Update	
06 Nov 2023		Corporate Presentation - November 2023	TALP
08 Nov 2023	\$	Tama-Atacama Lithium - Dolores Li Update	
13 Dec 2023	\$	RK Lithium Project - Waste to By-product Testwork	
29 Dec 2023		Application for quotation of securities - PAM	
<b>Announcements subsequent TO Quarter end</b>			
02 Jan 2024	\$	Tama Atacama Lithium Option Agreements Signed	TALP
03 Jan 2024		Tama Atacama Lithium Presentation	TALP
08 Jan 2024		Tama Atacama and RK Lithium Update	TALP/RKLP
11 Jan 2024	\$	RK Lithium Project Drilling Update	RKLP
12 Jan 2024	\$	Tama Atacama Lithium Exploration Concession Grant	TALP
18 Jan 2024		Tama Atacama Lithium Presentation	TALP
29 Jan 2024	\$	Tama Atacama Lithium Exploration Concession Grant	TALP
30 Jan 2024	\$	Trading Halt	



## TENEMENT SCHEDULE AS AT DECEMBER 31, 2023

Tenement / Application	Holder / Applicant	% Held	Granted	Term (Years)	Area (Km <sup>2</sup> )	Country
<b>RK Lithium Project</b>						
JSPL 1/2562	SIM	100	15-Feb-2019	5	12.3	Thailand
JSPL 2/2562	SIM	100	15-Feb-2019	5	12.7	Thailand
JSPL 3/2562	SIM	100	15-Feb-2019	5	11.9	Thailand
EPL 19/2565	SIM	100	01-Sep-2022	2	1.0	Thailand
<b>KT Geothermal Lithium and Hard Rock Lithium/Tin Project</b>						
DSPLA1	PAM2	100	Application	na	8.3	Thailand
DSPLA2	PAM2	100	Application	na	10.3	Thailand
DSPLA3	PAM2	100	Application	na	7.8	Thailand
DSPLA4	PAM2	100	Application	na	3.8	Thailand
DSPLA5	PAM2	100	Application	na	14.7	Thailand
<b>Khao Soon Tungsten Project<sup>(i)</sup></b>						
TSPL 1/2563	TMV	100	14-May-2020	5	7.1	Thailand
TSPL 2/2563	TMV	100	20-Aug-2020	5	15.9	Thailand
TSPLA 1/2549	TMV	100	Application	na	11.0	Thailand

SIM: Siam Industrial Metal Co. Ltd.; PAM2: Pan Asia 2 Metals (Thailand) Co. Ltd.; TMV: Thai Mineral Ventures Co. Ltd. SIM, PAM2, and TMV are 100% held subsidiaries of the Company or a 100% held subsidiary of one of the Company's 100% held subsidiaries.

(i) Thai Goldfields NL (TGF) will receive a A\$2m cash payment upon first WO<sub>3</sub> concentrate production being achieved for a tungsten project on Special Prospecting Licence Application No.1/2549 (TSPLA 1/2549) or its successor title over the historic Khao Soon Tungsten Mine and a A\$2m cash payment upon first WO<sub>3</sub> concentrate production being achieved for a project on any tenement abutting TSPLA 1/2549 or any successor title. David Docherty is a Director of Pan Asia Metals and TGF.





## OPTION AGREEMENT SCHEDULE AS AT JANUARY 2, 2024

Parties			
	<i>Option Agreement 1</i>	<i>Option Agreement 2</i>	<i>Option Agreement 3</i>
<b>Purchaser</b>	Pan Asia Metals Limited through its Chilean Subsidiaries		
<b>Vendor</b>	Rajo Partnership	Rajo Partnership	Thomas Eggers
<b>Project</b>	Dolores North (~222km <sup>2</sup> ) Dolores South (~96km <sup>2</sup> )	Pozon (~158km <sup>2</sup> ) Pink (~550km <sup>2</sup> ) Ramáticos (northern portion of project area, approx. ~110km <sup>2</sup> )	25 exploration concessions (~75km <sup>2</sup> ) in Salars Bellavista and Pintados and adjacent to the Project Pink exploration concessions.
Key Commercial Terms			
<b>Term</b>	3 Years + 1 additional year by mutual Agreement <sup>(1)</sup>	3 Years + 1 additional year by mutual Agreement <sup>(1)</sup>	5 Years <sup>(2)</sup>
<b>Earn-in</b>	100%	100%	100%
<b>Management</b>	PAM	PAM	PAM
<b>Licensing</b>	Meet all obligations including annual licensing payments to maintain titles in good standing		
<b>Minimum Annual Spend</b>	Not applicable	Not applicable	To Jan '25: US\$120,000 To Jan '26: US\$420,000 To Jan '27: US\$1,260,000
<b>Option Payment</b>	Dec '24: US\$100,000 Dec '25: US\$100,000 Dec '26: US\$2,000,000 <sup>(3)</sup>	Dec '24: US\$100,000 Dec '25: US\$100,000 Dec '26 US\$2,000,000 <sup>(3)</sup>	Jan '24: US\$66,000 Jan '25: US\$30,000 Jan '26: US\$90,000 Jan '27: US\$180,000 Jan '28: US\$600,000 CEOL: US\$1,800,000 <sup>(4)</sup>
<b>Royalty</b>	Not applicable	Not applicable	2% NSR with buyback options <sup>(5)</sup>
<p>(1) By mutual agreement PAM and Rajo Partnership can extension the term of the Option Agreement by 1 year, and if extended PAM would be required to pay an additional Option Payment of US\$100,000.</p> <p>(2) The final term of the agreement with Thomas Eggers is subject to the award of a Special Lithium Operations Contract ('Contratos Especiales de Operación de Litio' or 'CEOL').</p> <p>(3) PAM can exercise the US\$2 million Option Payment early, upon which no further annual payments of US\$100,000 will be payable.</p> <p>(4) The final payment of US\$1,800,000 is subject to the award of a CEOL, if 54 months have passed and the CEOL is awarded, then this payment is payable, alternatively, this payment is payable within 6 months of the CEOL being awarded.</p> <p>(5) The NSR includes an option the buy back.</p> <p>a. The first 1% of the NSR can be bought back for US\$600,000.</p> <p>b. The second 1% of the NSR can be bought back with the price based on a formula related to: i. 0.5% of the NPV10 before commercial production begins and 0.75% of the NPV10 after commercial production begins, or ii. 0.5% of the Asset Sale Price before commercial production begins and 0.75% of the Asset Sale Price after commercial production begins.</p>			



## CORPORATE DIRECTORY

### Board of Directors

- **Paul Lock**  
*Executive Chairman and Managing Director*
- **David Hobby**  
*Executive Director and Chief Geologist*
- **David Docherty**  
*Non Executive Director*
- **Thanasak Chanyapoon**  
*Non Executive Director*
- **Supriya Sen**  
*Non-Executive Director*

### Company Secretaries

- Ms Elissa Hansen, Australia
- Ms Fiza Alwi, Singapore

### Corporate Office

Level 23, 52 Thaniya Plaza,  
Silom Road, Bangrak,  
Bangkok, 10500, Thailand  
Phone: +66 2238 1639  
Email: [contactus@panasiametals.com](mailto:contactus@panasiametals.com)

### Singapore Reg. Office

Level 6, 77 Robinson Road,  
Robinson 77,  
Singapore, 068896  
Phone: +65 6538 0779

### Australian Reg. Office

Level 9, MLC Centre,  
19-29 Martin Place,  
Sydney, NSW, 2000  
Phone: +61 9232 5444

### Stock Exchange

Australian Securities Exchange (**ASX:PAM**)

### Solicitors

Ian B. Mitchell & Associates  
Level 9, 19-29 Martin Place,  
Sydney, NSW, 2000  
Phone: +61 9232 5444

### Auditors

PKF-CAP LLP  
6 Shenton Way,  
OUE Downtown 1, #38-01  
Singapore 068809  
Phone: +65 6500 9360

### Accountants

Vistra Australia  
Level 4, 100 Albert Road,  
South Melbourne, Vic, 3205  
Phone: +61 3 9692 7222

### Bankers

DBS Bank Limited, Singapore  
12 Marina Boulevard  
Level 3 MBFC Tower 3  
Singapore 018982

Westpac Banking Corp., Australia  
Royal Exchange, Cnr Pitt & Bridge St  
Sydney NSW 2000

### Share Registry

Advanced Share Registry  
110 Stirling Highway  
Nedlands, WA, 6009  
Phone: +61 8 9389 8033

### Website

[panasiametals.com](http://panasiametals.com)



## **ABOUT PAN ASIA METALS LIMITED (ASX:PAM)**

Pan Asia Metals Limited is the only publicly traded battery materials company with lithium projects in South-East Asia and South America, and with agreements with key battery and chemical producers in the Asian region to produce advanced battery chemicals.

PAM's Asian assets are strategically located in Thailand – the largest vehicle producer in the region. With Asia accounting for more than half of the global annual vehicle production, PAM is uniquely positioned to capitalize on the soaring demand for battery minerals in the region. PAM's South American assets are strategically located in the Atacama region of Chile, it is one of South America's largest and most strategically positioned lithium brine projects, situated at an altitude of 800-1100m with all necessary transport and energy infrastructure and only 75km from Iquique, a well-equipped coastal city with a population of 200,000, a deep water bulk and container port, and regular flights to Santiago.

PAM's dedication to producing innovative, high-value products with a minimal carbon footprint makes us an ideal partner for meeting our needs in both battery chemicals and sustainable energy. PAM is also a respected local company, with a strategy focused on developing an integrated supply chain to cost-effectively deliver relevant and in-demand products to the Li-ion battery market.

PAM is rapidly advancing its lithium projects through to feasibility and plans to expand its global lithium resource sustainably through its extensive holdings in Asia and South America.

To learn more, please visit: [www.panasiametals.com](http://www.panasiametals.com)

Stay up to date with the latest news by connecting with PAM on [LinkedIn](#) and [Twitter](#).

### **For Investor Enquiries, reach out to:**

**Patrick Chang**  
Pan Asia Metals Limited  
Investor Relations &  
Business Development  
[patrick.chang@panasiametals.com](mailto:patrick.chang@panasiametals.com)

### **For Media Enquiries, reach out to:**

**Tish Koh**  
Pan Asia Metals Limited  
Communications &  
Marketing Manager  
[tish.koh@panasiametals.com](mailto:tish.koh@panasiametals.com)



## **Competent Persons Statement**

The information in this report that relates to Mineral Resources is based on information compiled by Ms Millicent Canisius and Mr Anthony Wesson, both full-time employees of CSA Global. Mr Anthony Wesson is a Fellow and Chartered Professional of the Australasian Institute of Mining and Metallurgy and Ms Millicent Canisius is a Member of the Australasian Institute of Mining and Metallurgy. Mr Anthony Wesson and Ms Millicent Canisius have sufficient experience, relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking, to qualify as Competent Persons as defined in the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Anthony Wesson and Ms Millicent Canisius consent to the disclosure of the information in this report in the form and context in which it appears.

The information in this report that relates to Exploration Targets and Exploration Results, is based on information compiled by Mr. David Hobby, is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Hobby is a full time employee, Director and Shareholder of Pan Asia Metals Limited. Mr. Hobby has sufficient experience, relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking 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 (JORC Code). Mr. Hobby consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

## **Forward Looking Statements**

Various statements in this document constitute statements relating to intentions, future acts and events which are generally classified as “forward looking statements”. These forward looking statements are not guarantees or predictions of future performance and involve known and unknown risks, uncertainties and other important factors (many of which are beyond the Company’s control) that could cause those future acts, events and circumstances to differ materially from what is presented or implicitly portrayed in this document. For example, future reserves or resources or exploration targets described in this document may be based, in part, on market prices that may vary significantly from current levels. These variations may materially affect the timing or feasibility of particular developments. Words such as “anticipates”, “expects”, “intends”, “plans”, “believes”, “seeks”, “estimates”, “potential” and similar expressions are intended to identify forward-looking statements. Pan Asia Metals cautions security holders and prospective security holders to not place undue reliance on these forward-looking statements, which reflect the view of Pan Asia Metals only as of the date of this document. The forward-looking statements made in this document relate only to events as of the date on which the statements are made. Except as required by applicable regulations or by law, Pan Asia Metals does not undertake any obligation to publicly update or review any forward-looking statements, whether as a result of new information or future events. Past performance cannot be relied on as a guide to future performance.

## **Important**

To the extent permitted by law, PAM and its officers, employees, related bodies corporate and agents (Agents) disclaim all liability, direct, indirect or consequential (and whether or not arising out of the negligence, default or lack of care of PAM and/or any of its Agents) for any loss or damage suffered by a Recipient or other persons arising out of, or in connection with, any use or reliance on this document or information.

## Tama Atacama Lithium Brine Project

The Tama Atacama Lithium Project distinguishes itself as one of South America's largest and most strategically positioned lithium brine projects with ~120,000ha (~1,200km<sup>2</sup>) of granted exploration licenses or exploration license applications over which PAM has entered into binding Option Agreements to Purchase 100% of the project area. See Figure 1 and PAM ASX announcement “Tama Atacama Lithium Option Agreements Signed” dated 2<sup>nd</sup> January, 2023.

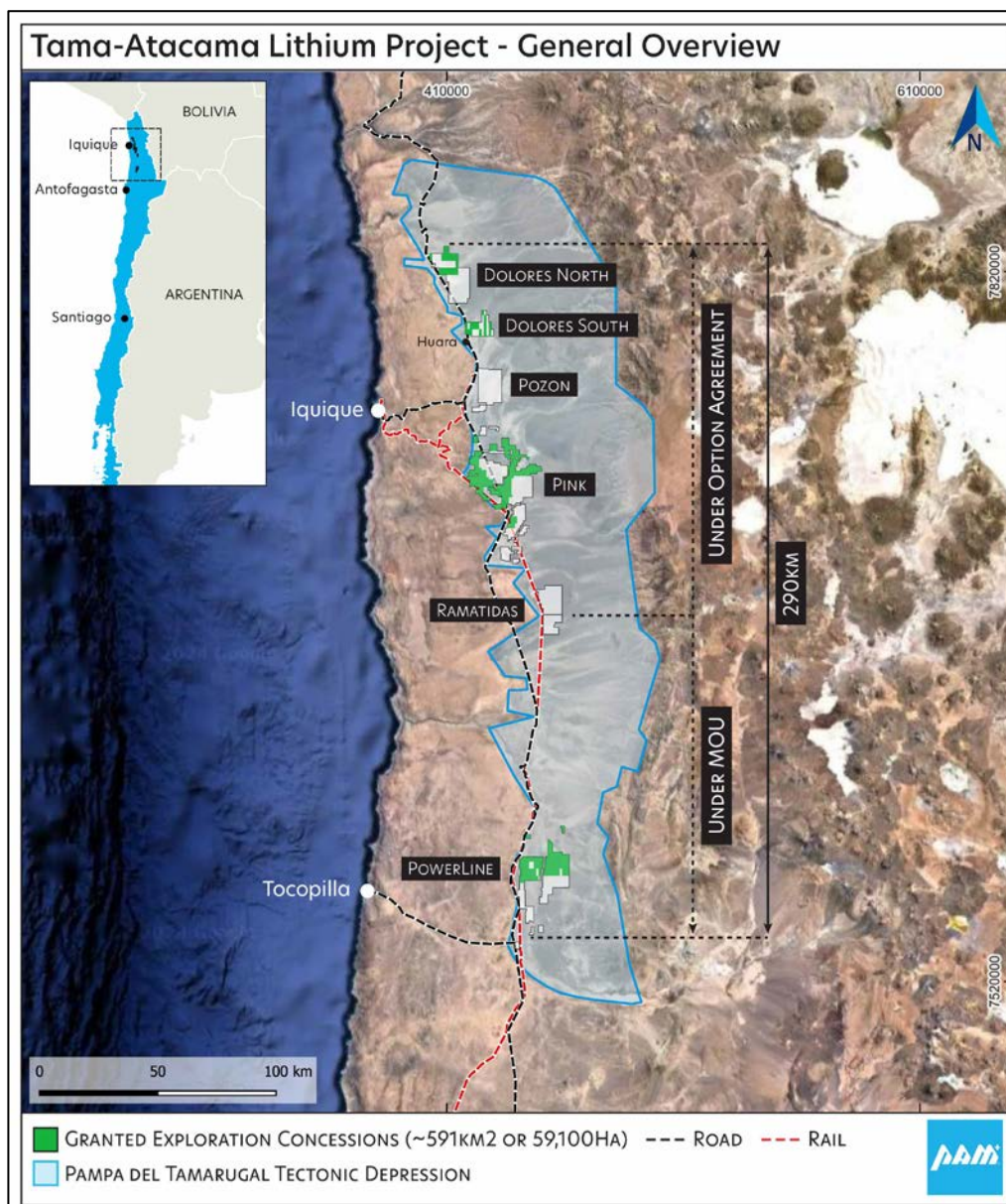


Figure 1. Tama Atacama Lithium Project: General Geography

The project sits within the 12,500km<sup>2</sup> Pampa del Tamarugal Basin, which is located in the Atacama Desert in northern Chile. Reconnaissance work suggests similar geochemical signatures to Salar de Atacama. Analysis of historical geophysics (seismic) show a very large basin up to 600m deep.

Extensive lithium surface anomalies with lithium results up to 2,200ppm Li, and averaging 700ppm Li (56/177 assays, 270ppm cutoff) extend over ~160km, see Figure 2.

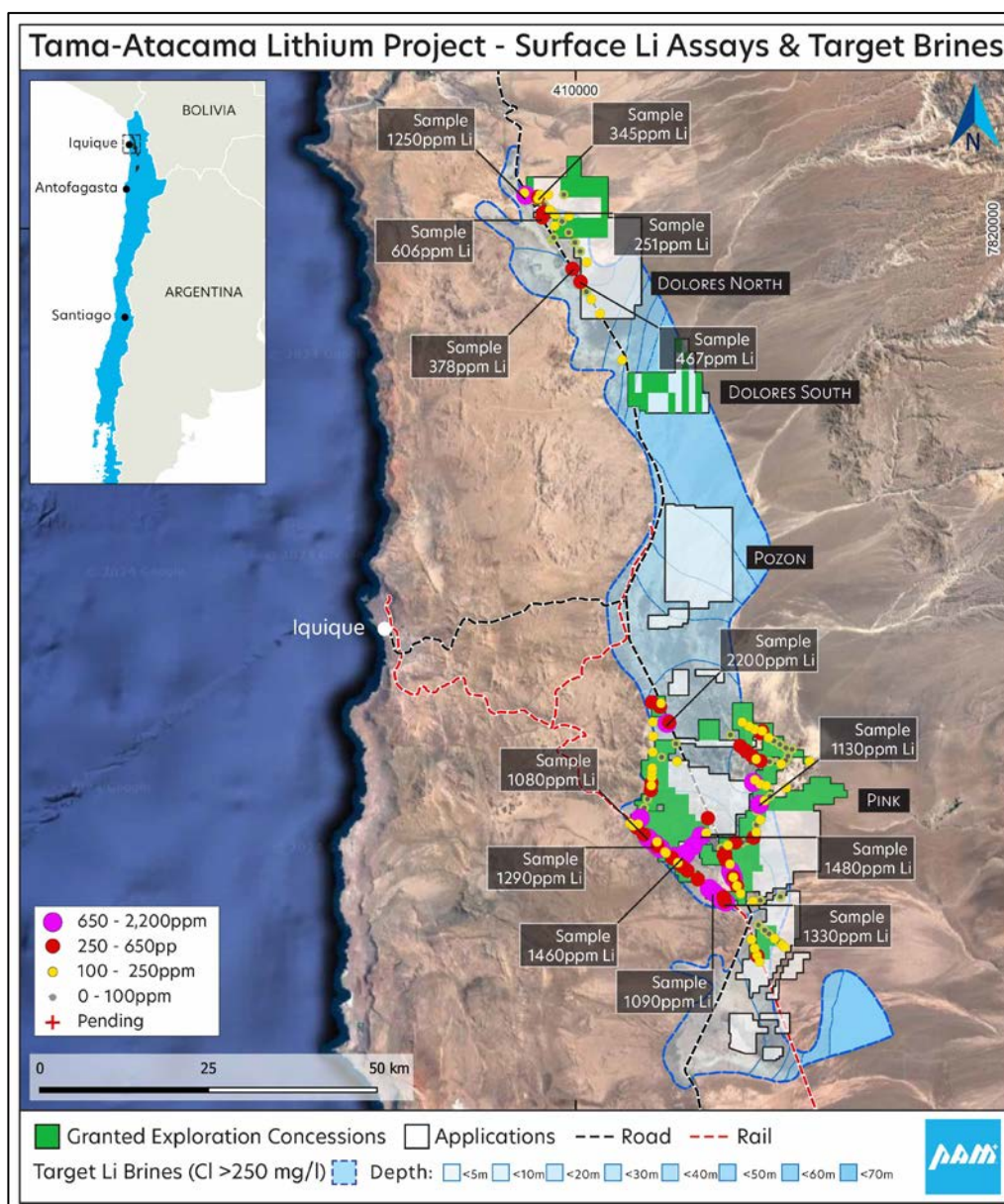
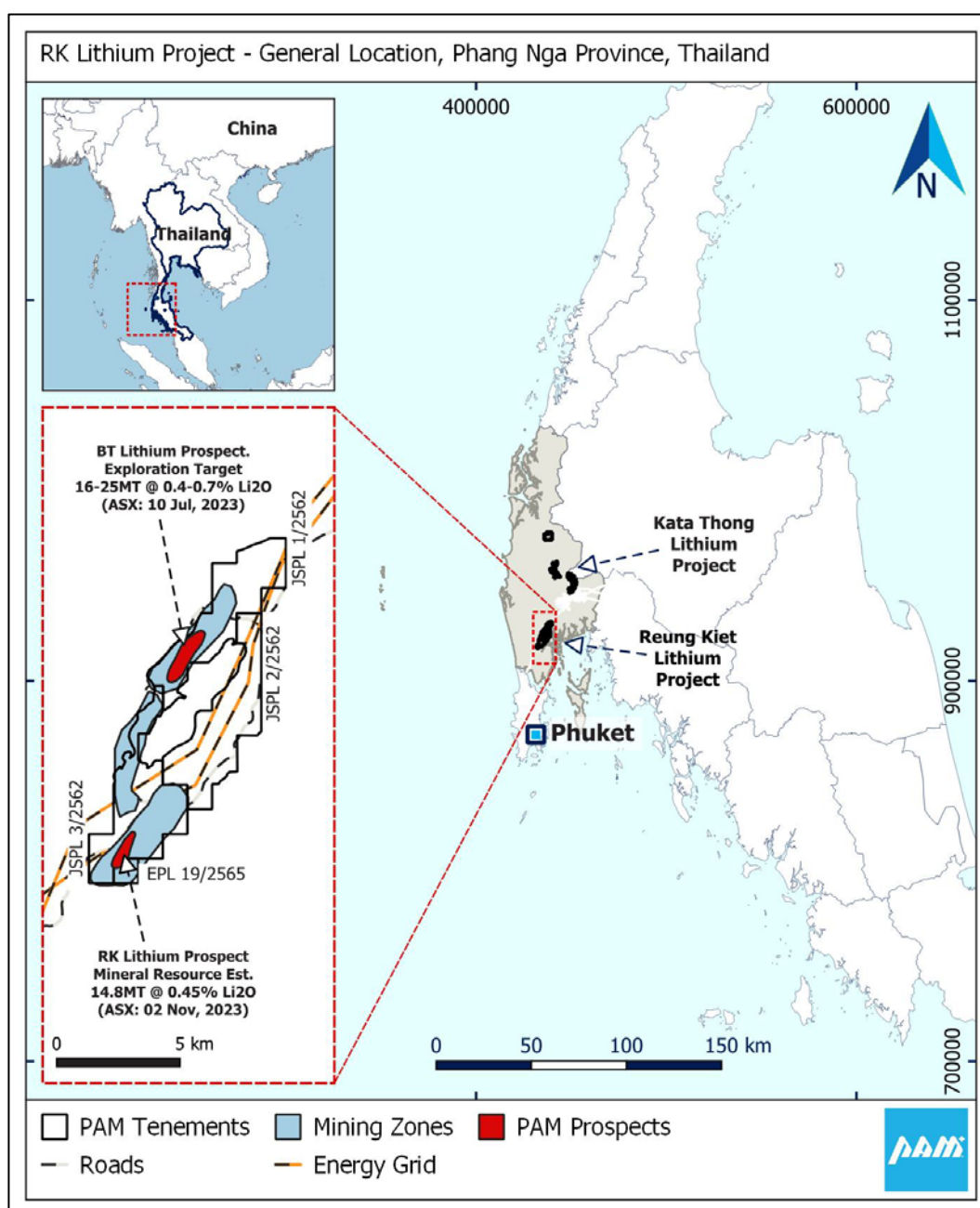


Figure 1. Tama Atacama Lithium Project: General Geography

The Project is situated at an altitude of 800-1100m, it is one of the lowest-lying lithium brine projects globally, and the project is set in a hyper-arid environment with very high evaporation rates, is well-supported with all necessary transport and energy infrastructure, and is situated 40-60km from the coast and only 75km from Iquique, a well-equipped coastal city with a population of 200,000, a deep water bulk and container port, and regular flights to Santiago. Tama Atacama is only 75km from Port of Patillos, Chile's largest salt export terminal, providing PAM a potential solution for waste salt, and several pipelines pump sea water through PAM's project areas, providing a potential solution to achieving water balance.

## RK Lithium Project

The RK Lithium Project ('RKLP'), inclusive of the RK Lithium Prospect (RK) and the BT Lithium Prospect (BT), is one of PAM's key assets. RKLP is a hard rock lithium project with lithium hosted in lepidolite/muscovite rich pegmatites chiefly composed of quartz, feldspar, lepidolite and muscovite both lithium bearing micas, with minor cassiterite and tantalite as well as other accessory minerals. Previous open pit mining extracting tin from the weathered pegmatites was conducted into the early 1970's.



Regional map: Location of Phang Nga and the Reung Kiet Lithium Project



### RK Lithium Prospect

The RK Lithium Prospect (RK) is located about 8km south of the BT Lithium Prospect (BT) in southern Thailand. At RK PAM has estimated a Mineral Resource Estimate of 14.8 million tonnes at a grade 0.45% Li<sub>2</sub>O, containing 164,500 tonnes LCE. See Table 1 and PAM ASX announcement “*Reung Kiet Lithium Project Mineral Resource Update*” dated 2 November, 2023.

**Table 1. RK Lithium Prospect – Mineral Resource at a 0.25% Li<sub>2</sub>O cut-off (2<sup>nd</sup> November 2023)**

Resource Category	Resource (Mt)	Li <sub>2</sub> O %	Sn ppm	Ta <sub>2</sub> O <sub>5</sub> ppm	Rb %	Cs ppm	Cont. LCE
Measured	7.80	0.44	410	74	0.20	230	85,289
Indicated	3.26	0.49	349	85	0.20	261	39,375
Inferred	3.74	0.41	390	78	0.19	229	38,252
<b>Total</b>	<b>14.80</b>	<b>0.45</b>	<b>391</b>	<b>77</b>	<b>0.20</b>	<b>237</b>	<b>164,500</b>

Note: Contained LCE for individual Resource categories is subject to tonnes and grade rounding.

The RK Prospect hosts a relatively large open cut tin mine that operated into the 1970’s. The old pit is about 500m long and up to 125m wide. Mining of weathered pegmatites was undertaken by open cut hydraulic methods to about 30m below surface and ceased when hard rock was intersected.

Pan Asia has identified a prospective zone over 1km long. Mineralisation remains open along strike to the north and south, with strong mineralisation particularly evident at surface and at depth in the south. PAM retains a 100% interest in RK.

### BT Lithium Prospect

The BT Lithium Prospect (BT) is located about 8km north of the RK in southern Thailand. At BT PAM has estimated a drill supported Exploration Target of 16 to 25 million tonnes at a grade ranging between 0.4% to 0.7% Li<sub>2</sub>O. See Table 2 and PAM ASX announcement “*Reung Kiet Lithium Project Exploration Target Substantially Increased*” dated 10 July, 2023.

**Table 2 – BT Lithium Prospect - Exploration Target, 10<sup>th</sup> July, 2023**

	Million Tonnes	Li <sub>2</sub> O %	Sn %	Ta <sub>2</sub> O <sub>5</sub> (ppm)	Rb %	Cs (ppm)	K (%)
Lower	16.0	0.70	0.16	120	0.30	250	2.80
Upper	25.0	0.40	0.11	95	0.25	200	2.40

The potential quantity and grade of the Exploration Target are conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

The BT hosts a significant historic tin mine that extends for almost 2km along strike. Mining of weathered pegmatites was undertaken by open cut hydraulic methods to about 40m below surface and ceased when hard rock was intersected. PAM retains a 100% interest in BT.





## APPENDIX 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

PAN ASIA METALS LIMITED

Registration Number

201729187E

Quarter ended ("current quarter")

31 December 2023

Consolidated statement of cash flows	Current quarter \$US'000	Year to date (12 months) \$US'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for	-	-
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(56)	(613)
(e) administration and corporate costs	(35)	(1,411)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	11	21
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(80)</b>	<b>(2,003)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities		
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(628)	(2,554)

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (12 months) \$US'000
	(e) investments	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:	-	-
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other	-	(9)
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(628)</b>	<b>(2,563)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	778	3,500
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(46)	(198)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Others (Advance received towards share capital (\$444k), nets of repayment of lease liabilities (\$26k)) <sup>1</sup>	37	418
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>769</b>	<b>3,720</b>

<sup>1</sup> \$37k (YTD: \$418k) comprised of the \$42k during the current quarter (YTD: \$444k) received from key managerial personnel as advance towards share capital and payment of lease liabilities of \$5k during the current quarter (YTD: \$26k).

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	104	970
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(80)	(2,003)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(628)	(2,563)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	769	3,720
4.5	Effect of movement in exchange rates on cash held	(45)	(4)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>120</b>	<b>120</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts</b>	<b>Current quarter \$US'000</b>	<b>Previous quarter \$US'000</b>
5.1	Bank balances	120	104
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (Short term bonds)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>120</b>	<b>104</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$US'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	41
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$US'000	Amount drawn at quarter end \$US'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$US'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(80)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(628)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(708)
8.4	Cash and cash equivalents at quarter end (item 4.6)	120
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	120
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	(0.17)
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: No, the exploration program at the RK Lithium Project is winding down, exploration at Tama Atacama Lithium Project will start only after adequate funds have been raised, and PAM is reasonably confident that it will enter into a definitive agreement with at least one strategic partner during the current quarter, which will include a funding arrangement.	

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Yes. As announced on ASX on 29 January 2024, the Company has initiated a capital raising program via private placement and is in discussions with strategic investors to participate in the raise.

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, the capital raising process is expected to generate sufficient proceeds to fund the Company's operations for next 9-12 months.

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 January 2024

Authorised by: By the Board.....  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.