

BASTION RECEIVES FIRST OPTION PAYMENT AS PART OF COMETA PROJECT DIVESTMENT

Bastion Minerals Limited (ASX: BMO) (**Bastion** or the **Company**), a multi-commodity company focused on battery metals projects in Canada, Sweden and Australia, is pleased to provide an update on the transaction for the divestment of its Cometa Copper Project (**Cometa** or **Project**) in Chile to ASX listed Hot Chili Ltd (**ASX:HCH**) (**HCH** or **Hot Chili**).

Highlights

- Hot Chili has completed its Due Diligence on the Cometa Copper Project in Chile and has entered into an option agreement to acquire the Project for up to US\$3.3 million (**Option Agreement**);
- Pursuant to the terms of the Option Agreement, Bastion has received the first payment of US\$100,000; and
- Divestment of the Project will enable Bastion to realise near term value for shareholders and focus on its highly prospective Canadian Lithium Project, Swedish Rare Earth Element (**REE**) Project and Western Australian Lithium/REE Project.

Commenting on the signing of the Agreement, Bastion Minerals Executive Chairman, Mr Ross Landles, said:

“The Bastion Board is delighted to progress with the Option Agreement for the divestment of the Cometa Copper asset to our neighbours in Chile. Hot Chili Ltd has a strong track record of consolidating tenure around its Costa Fuego Project.”

“With the first payment now banked, the Company will continue to concentrate its focus on our lithium and REE assets based in Canada, and Australia, Sweden respectively.”

Bastion to Divest Cometa Copper

Bastion is pleased to announce that it has entered into an Option Agreement with ASX listed Hot Chili for the divestment of the Cometa Copper Project located 40km southeast of Vallenar in Chile.

Pursuant to the terms of the Option Agreement, a non-refundable cash payment of US\$100,000 has been made to Bastion upon signing the Option Agreement (**Grant Date**).

Cometa consists of exploration and mining licenses covering approximately 56km² of granted mining and exploration tenements.

The HCH team is well-positioned to explore Cometa from its existing exploration base to the north, with a highly experienced team and an active drill program aimed at expanding the scale of its Costa Fuego copper development.



Figure 1: The Cometa Copper Project relative to Hot Chili's neighbouring Costa Fuego Project.

Further terms of the Option Agreement are as follows:

Option

- A Non-refundable cash payment of US\$200,000 to Bastion within a 12-month period of the Grant Date for Hot Chili to continue with the Option.

Exercise of Option and Purchase Price

- Consideration of US\$2,400,000 to Bastion if the Option is exercised by Hot Chili within 18 months of the Grant Date; or
- Consideration of US\$3,000,000 to Bastion if the Option is exercised by Hot Chili within 30 months of the Grant Date.

Payment of Purchase Price

Hot Chili may elect to satisfy payment by either:

- paying the Purchase Price in cash in full; or
- paying 50% of the Purchase Price in cash and 50% of the Purchase Price in Hot Chili issuing to Bastion, or its nominee, such number of fully paid ordinary shares in Hot Chili (**HCH Shares**) calculated as follows:

$$(\text{Purchase Price} \times 0.5) / \text{VWAP}$$

Where "VWAP" is the volume weighted average price of HCH Shares traded on the Australian Securities Exchange (**ASX**) over the 15 trading days on which HCH Shares are traded on ASX

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immediately prior to the date of the Exercise Notice.

Expiry

- If the Option is not exercised within the 30-month Option Period, the Option will expire and the Option Agreement will terminate.

Parties

- SCM Cornet Constelacion (**Constelación**), a subsidiary of Bastion incorporated in Chile, and holder of the concessions comprising the Cometa Project, has entered into the Option Agreement to grant the Option to Sociedad Minera La Frontera SpA (**Frontera**), a subsidiary of Hot Chili incorporated in Chile.
- Bastion and Hot Chili will guarantee the obligations of Constelacion and Frontera respectively under the Option Agreement.

This announcement was approved for release by the Executive Chairman of Bastion Minerals.

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About Bastion Minerals

Bastion Minerals (ASX:BMO) is an Australian-listed early stage exploration company focused on Copper, Lithium & Green metals.

The Company owns an earn in agreement to acquire three highly prospective lithium properties located in Ontario Canada, a rapidly growing lithium province. The three properties are located close to known pegmatites, where adjacent companies have intersected pegmatites in drilling and have defined and reported resources. The property groups are referred to as Pakwan East Lithium, Raleigh Lake Lithium, and McCombe North Lithium projects.

Bastion also owns a district scale high grade Rare-Earth, Copper, Gallium and Germanium exploration project in Sweden, called Gyttorp nr 100.

Bastion has also executed two definitive agreements. One agreement is for the acquisition of 100% of the issued capital in Critical Minerals Morrissey Pty Ltd which owns the Morrissey Lithium Project in the Gascoyne region in Western Australia, prospective for lithium and possibly other elements associated with pegmatites, including REE. The second agreement is for tenement the acquisition of a tenement from Syndicate Minerals Pty Ltd which is prospective for lithium and gold, is part of the Split Rock Dam area located 100km northwest of Coolgardie.

Bastion has a strategy of exploration, discovery & acquisition, leveraged to decarbonisation. Bastion will continue to identify new assets with a focus on the Company's decarbonisation strategy, targeting Lithium, Copper, REE, Graphite and Nickel.

For further information please visit the Bastion Minerals website at www.bastionminerals.com