

ASX Announcement

26 July 2024

QUARTERLY REPORT FOR THE PERIOD ENDING 30 JUNE 2024

HIGHLIGHTS

- AZL produced exceptional final Pilot Plant results for its Prairie Lithium Project in Saskatchewan, Canada:
 - Steady-state phase achieved an average lithium recovery rate of 95%.
 - Average impurity rejection of 99.99% for sodium and 99.98% for calcium.
- Commenced drilling on Pad #1, representing the commencement of the first commercial lithium production plant in Canada. Commercial production anticipated to commence in 2025.
- Announced the official opening of the Lithium Research Centre at event attended by Federal & State government officials, State economic development officers and leading experts in Engineering, Finance and Technology
 - The Lithium Research Centre is functioning as a test facility focused on the extraction of lithium from both the Prairie Project in Saskatchewan and the Big Sandy Project in Arizona
- Received approval from the US Bureau of Land Management (BLM) for the Permit of Exploration (POE) at the Big Sandy Lithium Project in Arizona, USA. The POE includes 131 exploration holes and a bulk sample.
- Appointed Mr. Vern Lund, Chief Executive Officer of AZL's partner in the Big Sandy Project, Navajo Transitional Energy Company (NTEC), a US Tribally owned mining company.

Arizona Lithium Limited (**ASX:AZL**) ("**AZL**", **Arizona Lithium**" or the "**Company**") is pleased to provide an overview of the Company's activities for the period ending 30 June 2024 ("**Quarter**", "**Reporting Period**") to accompany the Appendix 5B.

Arizona Lithium Managing Director, Paul Lloyd, commented:

"During the June quarter, we released our final Pilot Plant results that highlighted the exceptional recovery rates and impurity rejection of iLiad DLE technology at the Prairie project.

In May, we kicked off our drilling campaign at the Prairie project on Pad #1, by drilling our first commercial production well. Having the first commercial wells in place is an important step on the path to commercial scale production in 2025. In May, we also officially opened the Lithium Research Centre in a very well attended event by government officials and industry experts.

For the Big Sandy Lithium Project in Arizona, AZL in partnership with Navajo Transitional Energy Company (NTEC), received approval from the BLM for the permit of exploration. This is a significant milestone for the Big Sandy project.

The Board of Directors and I are delighted with the appointment of Vern Lund to the AZL Board. Vern is an experienced mining executive with over 25 years of operational and project development experience which will be invaluable to our business."



EXCEPTIONAL RESULTS FROM FINAL PHASE OF PRAIRIE PILOT PLANT

In April, AZL provided an update on the results from its pilot plant operating at the Prairie Project in Saskatchewan, Canada. Including startup, the pilot plant processed over 200,000L of brine and produced over 13,500L of high purity lithium concentrate which was shipped to AZL’s Lithium Research Centre (LRC) in Tempe, Arizona. The brine process methodology is illustrated in Figure 1. During steady-state operations, the system achieved an average lithium recovery rate of 95% while rejecting significant impurities (Table 1).

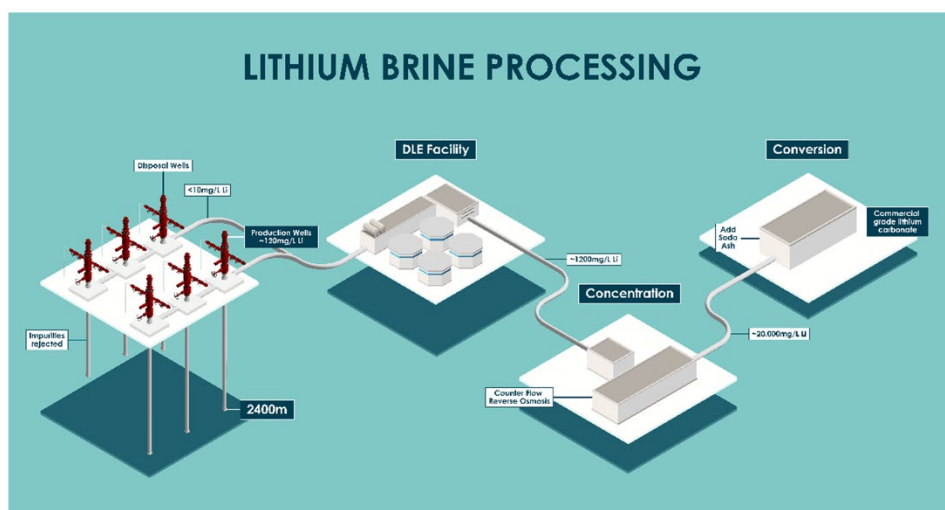


Figure 1 - Lithium brine processing methodology

| | | |
|--------------------------------|-------|-------|
| Overall Li wt% recovery by ICP | % | 95 |
| Average Product Li ICP | mg/kg | 1,091 |
| Boron rejection | % | 97.59 |
| Barium rejection | % | 99.94 |
| Calcium rejection | % | 99.96 |
| Magnesium rejection | % | 99.94 |
| Potassium rejection | % | 99.98 |
| Sodium rejection | % | 99.99 |
| Strontium rejection | % | 99.97 |
| Bromine rejection | % | 99.76 |

Table 1: Overall Steady State Performance

PRODUCTION DRILLING COMMENCED AT PRAIRIE LITHIUM PROJECT

During the Quarter, AZL commenced drilling on Pad #1, at the Prairie Lithium Project. Drilling and completion activities on the wells will be ongoing over the coming months. Production testing commenced in June.

The first two wells on Pad #1 are being drilled as vertical wells. Well #1 will test the Souris River and Duperow Formations. Well #2 will test the Dawson Bay Formation and specific disposal targets in the Madison Group. A well schematic and stratigraphic chart is shown in Figure 2 below. Having production wells and disposal wells in place is a key component of the Prairie Project Development (see Prairie Lithium PFS released December 28, 2023), and brings the project one step closer towards commercial production of Lithium.

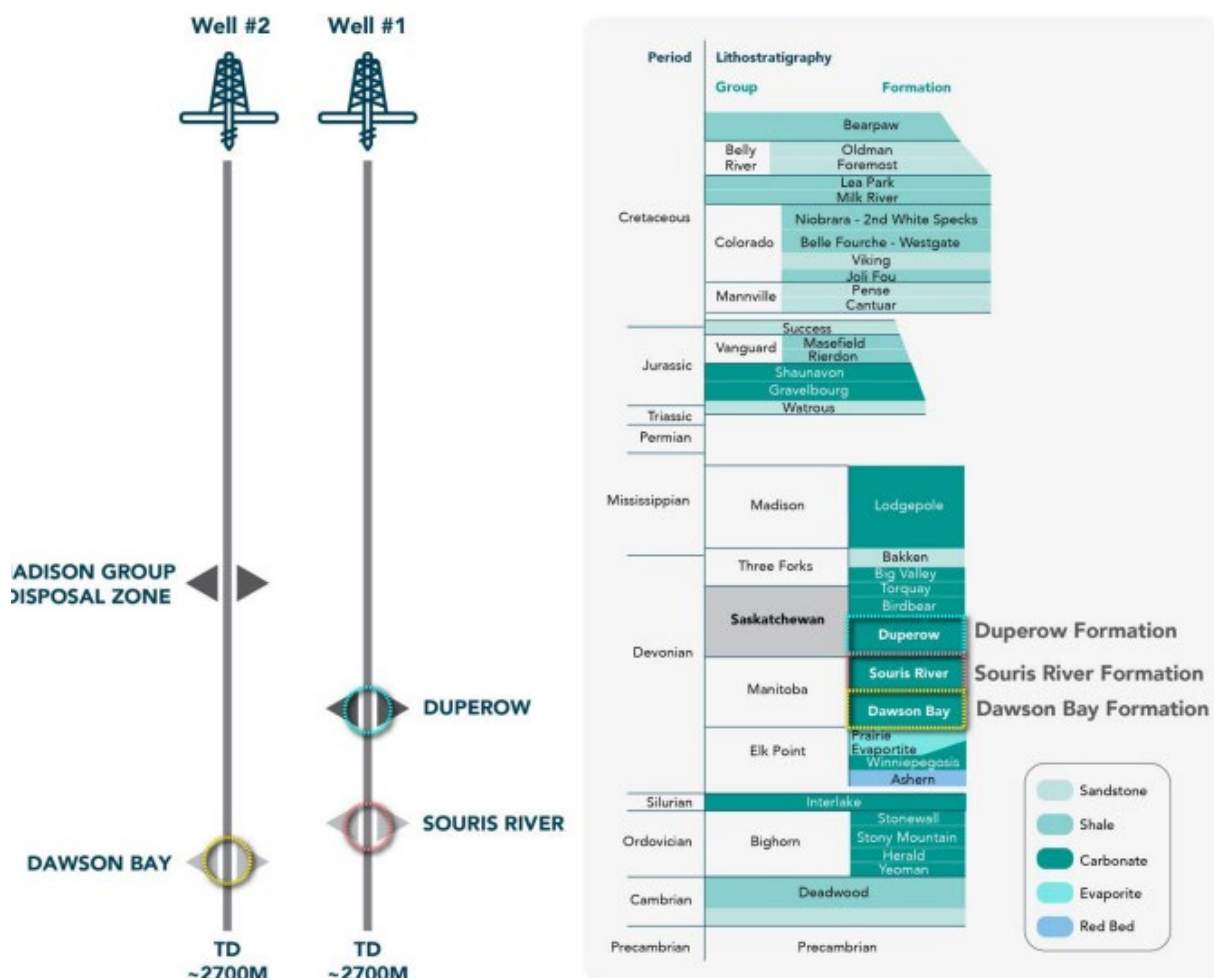


Figure 2 – Well schematic and stratigraphic chart

OFFICIAL OPENING OF WORLD CLASS LITHIUM RESEARCH CENTRE

In May, AZL hosted Federal & State government officials, State economic development officers and leading experts in Engineering, Finance and Technology for its official ribbon cutting ceremony at AZL's 100% owned Lithium Research Centre.

The Research Centre is focused on technological advancements in lithium processing and will advance the battery materials industry in Arizona. The property spans over 9,700m², including a building of over 1,900m², with 3,000m² of pavement protected by security gates and a brick wall. The building has a 370m² research laboratory and a 1,530m² processing facility for lithium chemicals, with a 7-metre clearance. The Lithium Research Centre is functioning as a test facility focused on the extraction of lithium from both the Prairie Project in Saskatchewan and the Big Sandy Project in Arizona



Figure 3 – Arizona Lithium Research Staff Testing in the Laboratory

BLM APPROVAL RECEIVED - DRILLING TO COMMENCE AT BIG SANDY

In June, AZL received approval from the US Bureau of Land Management (BLM) for the Permit of Exploration (POE) at the Big Sandy Lithium Project in Arizona, USA. This POE includes 131 exploration holes and a bulk sample. The drill program is anticipated to commence in July 2024 (following a 30-day appeal period) with the aim of expanding the total Indicated and Inferred JORC Resource of 32.5 million tonnes grading 1,850 ppm Li for 320,800 tonnes Li_2CO_3 (Table 2)

Table 2: Big Sandy Mineral Statement (above 800 ppm Li cut-off)

| Resource Classification | Tonnes (Mt) | Li Grade (ppm) | Contained Li Metal (t) | Contained LCE (t) |
|-------------------------|-------------|----------------|------------------------|-------------------|
| Indicated | 14.6 | 1,940 | 28,400 | 150,900 |
| Inferred | 17.9 | 1,780 | 31,900 | 169,900 |
| Total | 32.5 | 1,850 | 60,300 | 320,800 |

The drill program will be managed by NTEC as part of the Mining Services Agreement. NTEC is responsible for managing the permitting requirements, additional exploration drilling, mine design, environmental assessments, and development to the commencement of mining for the Big Sandy Lithium Project.

To date, AZL has only drilled 4% of the entire project area, with the upcoming drill program aimed at testing the validity of the estimated exploration target of between 271.1Mt to 483.2Mt at 1,000 - >2,000ppm Li^2 (Table 3).

| Zone | Resource Block | Grade Range Li ppm | Thickness | | Lower (Mt) | Upper (Mt) |
|-------|----------------|--------------------|-----------|---------------|--------------------|--------------------|
| | | | Lower (m) | Upper (m) | | |
| North | B | 1000 - >2,000 | 40 | 60 | 82,800,000 | 124,200,000 |
| North | C | 1000 - >2,000 | 20 | 35 | 27,000,000 | 47,250,000 |
| North | D | 1000 - >2,000 | 20 | 35 | 39,600,000 | 69,300,000 |
| South | SMZ 1 | 1000 - >1,500 | 30 | 60 | 83,700,000 | 167,400,000 |
| South | SMZ 2 | 1000 - >1,500 | 30 | 60 | 38,000,000 | 75,000,000 |
| | | | | | | |
| | | | | TOTALS | 271,100,000 | 483,150,000 |

Table 3: Summary of Exploration Target

Significant opportunity exists to expand the existing Resource by drilling Blocks B, C and D as the current Resource Estimate is solely based on drilling in Block A (refer Figure 4 below). The target is based on exploration including geological mapping, drilling and surface sampling in Blocks B, C and D in the Northern Mineralised Zone (NMZ) and geological mapping and surface sampling in Blocks SMZ 1 and SMZ 2 in the Southern Mineralised Zone (SMZ),

The Exploration Target in Blocks B, C and D in the NMZ, has been estimated using a range of thicknesses for the mineralised sedimentary material, calculated from data point elevations, drill hole data from prior Exploration Target Block A, lying between Blocks B and C, that has been converted to an inferred / indicated mineral resource and geological mapping. The grade estimates a range of values demonstrated from surface sampling.

The Exploration Target in Blocks SMZ 1 and SMZ 2 in the SMZ, has been estimated using a range of thicknesses for the mineralised sedimentary material, calculated from data point elevations, geological mapping and knowledge of the mineralisation controls and alteration witnessed in the NMZ. The grade estimates a range of values demonstrated from surface sampling.

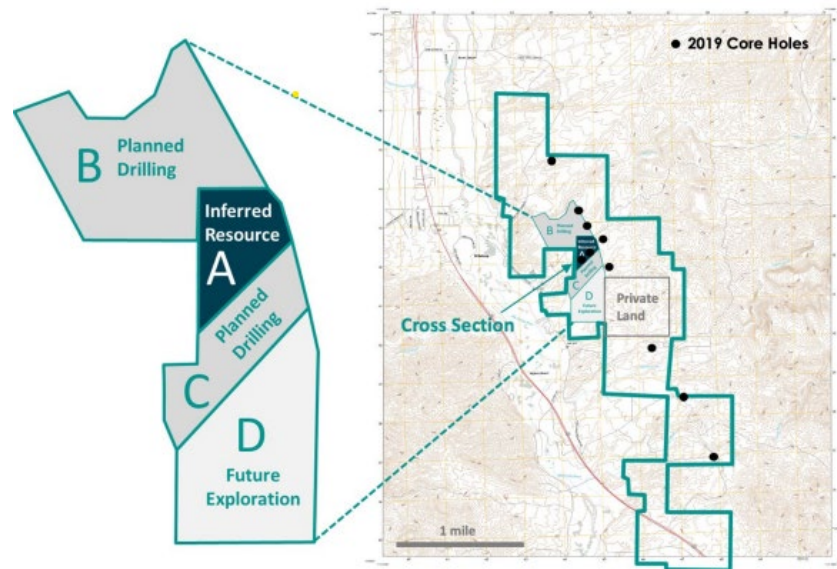


Figure 4 – Interpreted outline of the Northern Mineralised Zone at Big Sandy showing the positions of Blocks A, B, C & D

FOR FURTHER INFORMATION PLEASE CONTACT:

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 Arizona Lithium Limited
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paul@arizonalithium.com

Project Locations



Figure 5 – Prairie Lithium’s resource further diversifies AZL into Canada and brines.

Lithium Research Centre

As announced on 20 June 2022, Arizona Lithium signed a 5-year lease to establish a world class Lithium Research Centre (LRC) to be located on a 9,700m² property in Tempe, Arizona, approximately 15km southwest of Phoenix Sky Harbor International Airport.

The Lithium Research Centre, which will function as a technology incubator focused on the extraction of lithium from a variety of ores and brines, as well as the production of battery-grade lithium chemicals for current and future battery technologies.

The build out of the LRC continues with the lab fully operational and the bulk of the pilot plant to be constructed during the June quarter. The Company will then be able to commence operations of the pilot plant to treat some of the bulk sample taken from the Big Sandy Lithium project.

Big Sandy Lithium Project (Arizona)

The Big Sandy Project, is a very shallow, flat lying mineralised sedimentary lithium resource and with excellent available infrastructure, has the potential to be developed with a very low environmental footprint.

JORC Mineral Resource Estimate

Arizona Lithium's successful 2019 drill program at Big Sandy (37 HQ diamond holes totalling 2,881m) resulted in the estimation of a total Indicated and Inferred JORC resource of 32.5 million tonnes grading 1,850 ppm Li for 320,800 tonnes Li_2CO_3 ¹ (Table 1).

Table 1 - Big Sandy Project Mineral Resource Statement (above 800 ppm Li cut-off)

| Resource Classification | Tonnes (Mt) | Li Grade (ppm) | Contained Li Metal (t) | Contained LCE (t) |
|-------------------------|-------------|----------------|------------------------|-------------------|
| Indicated | 14.6 | 1,940 | 28,400 | 150,900 |
| Inferred | 17.9 | 1,780 | 31,900 | 169,900 |
| Total | 32.5 | 1,850 | 60,300 | 320,800 |

This represents 4% of the Big Sandy Project area that contains an estimated exploration target of between 271.1Mt to 483.15Mt at 1,000 - >2,000ppm Li² (Table 2).

Exploration Target

Exploration on the Big Sandy Lithium Project including geological mapping, drilling and surface sampling in Blocks B, C and D in the Northern Mineralised Zone (NMZ) and geological mapping and surface sampling in Blocks SMZ 1 and SMZ 2 in the Southern Mineralised Zone (SMZ), have resulted in the identification of the potential for between 271.1Mt to 483.15Mt at 1,000 - >2,000ppm Li as summarised in Table 3 below.

The Exploration Target in Blocks B, C and D in the NMZ, has been estimated using a range of thicknesses for the mineralised sedimentary material, calculated from data point elevations, drill hole data from prior Exploration Target Block A, lying between Blocks B and C, that has been converted to an inferred / indicated mineral resource and geological mapping. The grade estimates a range of values demonstrated from surface sampling.

The Exploration Target in Blocks SMZ 1 and SMZ 2 in the SMZ, has been estimated using a range of thicknesses for the mineralised sedimentary material, calculated from data point elevations, geological mapping and knowledge of the mineralisation controls and alteration witnessed in the NMZ. The grade estimates a range of values demonstrated from surface sampling.

Table 2 – Summary of Exploration Target

| Zone | Resource Block | Grade Range Li ppm | Thickness Lower (m) | Thickness Upper (m) | Lower (Mt) | Upper (Mt) |
|-------|----------------|--------------------|---------------------|---------------------|--------------------|--------------------|
| North | B | 1000 - >2,000 | 40 | 60 | 82,800,000 | 124,200,000 |
| North | C | 1000 - >2,000 | 20 | 35 | 27,000,000 | 47,250,000 |
| North | D | 1000 - >2,000 | 20 | 35 | 39,600,000 | 69,300,000 |
| South | SMZ 1 | 1000 - >1,500 | 30 | 60 | 83,700,000 | 167,400,000 |
| South | SMZ 2 | 1000 - >1,500 | 30 | 60 | 38,000,000 | 75,000,000 |
| | | | | | | |
| | | | | TOTALS | 271,100,000 | 483,150,000 |

Note that the potential quantity and grade of the estimated geological potential (Exploration Target) is conceptual in nature. There has been insufficient exploration to estimate a mineral resource and it is uncertain whether future

¹ Announcement Sept 26, 2019, Big Sandy Lithium Project, Maiden Mineral Resource

² Announcement Nov 7, 2019, Big Sandy Lithium Project, Exploration Target Update

exploration will result in the definition of a mineral resource. It has been estimated using a range of thicknesses for the mineralised sediments calculated from drill intercepts, surface sampling and geological mapping. The grade estimates a range of values demonstrated from drilling and surface sampling.

The Permit of Exploration (POE) that includes 145 exploration holes and a bulk sample at the Company's Big Sandy Lithium project in Arizona is awaiting Bureau of Land Management (BLM) approval. Community involvement is welcomed to ensure mutually beneficial outcomes for all stakeholders and the Company is very confident that drilling program can be completed without environmental impact and to the satisfaction of all stakeholders. The validity of the proposed exploration target will be tested in the next drilling program. The Company is awaiting drilling approval from the BLM as detailed above.

Competent Persons Statement

The information in this announcement that relates to the Exploration Target is based on and fairly represents information compiled by Gregory L Smith who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM) and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity to which 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". Mr. Smith is a consultant to the Company and holds shares in the Company. Mr. Smith consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears. Information in this announcement which relates to Exploration Results relevant to the Exploration Target has been extracted from the Company's announcements released to ASX on 28 March, 28 August and 7 November 2019.

Information in this announcement that relates to Mineral Resources have been extracted from the Company's announcement released to ASX on September 26, 2019.

The announcements are 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 announcements 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 the Competent Person's findings are presented have not been materially modified from the original market announcements.

Competent Persons statement for Prairie and Registered Overseas Professional Organisation (ROPO) and JORC Tables

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 pertaining to the resource 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 practicing as a professional in hydrogeology since 2000 and has 24 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 28 December 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.

Appendix 1: Schedule of Mining Tenements

The following information is provided pursuant to Listing Rule 5.3.3 for the quarter ended 30 June 2024.

| Project | Claim Number | Location | Interest |
|-----------------|--|----------------------|----------|
| Big Sandy | WIK 21 to WIK 24 | Arizona, USA | 100% |
| Big Sandy | WIK 32 to WIK 35 | Arizona, USA | 100% |
| Big Sandy | WIK 43 to WIK 46 | Arizona, USA | 100% |
| Big Sandy | WIK 53 to WIK 112 | Arizona, USA | 100% |
| Big Sandy | BSL-001 to BSL-146 | Arizona, USA | 100% |
| Big Sandy | BSLII 009 to BSLII 035 | Arizona, USA | 100% |
| Big Sandy | RL001 to RL099 | Arizona, USA | 100% |
| Big Sandy | Z-5 to Z-12 | Arizona, USA | 100% |
| Big Sandy | Z-17 to Z-24 | Arizona, USA | 100% |
| Big Sandy | Z-29 to Z-36 | Arizona, USA | 100% |
| Big Sandy | Z-41 to Z-71 | Arizona, USA | 100% |
| Lordsburg | LLP-211 to LLP-274 | New Mexico, USA | 100% |
| Lordsburg | LLP-283 to LLP-298 | New Mexico, USA | 100% |
| Lordsburg | LLP-307 to LLP-322 | New Mexico, USA | 100% |
| Lordsburg | LLP2-1 to LLP2-96 | New Mexico, USA | 100% |
| Prairie Lithium | S002/1 | Saskatchewan, Canada | 100% |
| Prairie Lithium | S004/5 | Saskatchewan, Canada | 100% |
| Prairie Lithium | S005/29, S005/46-48, S005/58, S005/60 | Saskatchewan, Canada | 100% |
| Prairie Lithium | S008/29, S008/31-35, S008/41, S008/43-44, S008/46, S008/49-54, S008/56, S008/64-65, S008/69-74, S008/77, S008/86-89 | Saskatchewan, Canada | 100% |
| Prairie Lithium | S009/19, S009/24-25, S009/27, S009/29, S009/31, S009/35, S009/39, S009/41- 44, S009/50-53 | Saskatchewan, Canada | 100% |

| Project | Claim Number | Location | Interest |
|-----------------|---|----------------------|----------|
| Prairie Lithium | <ul style="list-style-type: none"> • Canpar Holdings Ltd. File No. M043397 • Canpar Holdings Ltd. File No. M043398 • Canpar Holdings Ltd. File No. M043399 • Canpar Holdings Ltd. File No. M043400 • Canpar Holdings Ltd. File No. M043401 • Freehold Royalties Ltd. File No. M043402 • Freehold Royalties Ltd. File No. M043403 • Freehold Royalties Ltd. File No. M043404 • Freehold Royalties Ltd. File No. M043405 | Saskatchewan, Canada | 100% |

There were no tenements acquired or disposed of during the Quarter.

Appendix 2: Exploration Expenditure and Payments to Related Parties

In line with its obligations under ASX Listing Rules 5.3.1 and 5.3.5, Arizona Lithium Limited notes the following in relation to the period ended 30 June 2024 as advised in the Appendix 5B:

- exploration and evaluation expenditure primarily relates to work undertaken on the Prairie Lithium project and the setup and operating costs of the Lithium Research Centre;
- development expenditure primarily relates to work undertaken on the Prairie Lithium project; and
- the only payments to related parties of the Company pertain to payments to an executive director for salary and superannuation, non-executive director fees and consultancy fees.

Appendix 5B

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

Name of entity

ARIZONA LITHIUM LIMITED

ABN

15 008 720 223

Quarter ended ("current quarter")

30 JUNE 2024

| Consolidated statement of cash flows | Current quarter \$A'000 | Year to date (12 months) \$A'000 |
|---|------------------------------------|---|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | - | - |
| 1.2 Payments for | | |
| (a) exploration & evaluation | (3,685) | (8,002) |
| (b) development | (104) | (104) |
| (c) production | - | - |
| (d) staff costs | (779) | (3,064) |
| (e) administration and corporate costs | (769) | (3,479) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | 273 | 418 |
| 1.5 Interest and other costs of finance paid | - | - |
| 1.6 Income taxes paid | - | - |
| 1.7 Government grants and tax incentives | - | 1,403 |
| 1.8 Other | - | - |
| 1.9 Net cash from / (used in) operating activities | (5,064) | (12,828) |
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire or for: | | |
| (a) entities | - | - |
| (b) tenements | - | - |
| (c) property, plant and equipment | (2,551) | (4,932) |
| (d) exploration & evaluation | - | - |
| (e) investments | - | - |
| (f) other non-current assets | - | - |

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

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (12 months) \$A'000 |
|--------------------------------------|---|----------------------------|--|
| 2.2 | Proceeds from the disposal of: | | |
| | (a) entities | - | - |
| | (b) tenements | - | - |
| | (c) property, plant and equipment | - | 562 |
| | (d) investments | - | - |
| | (e) other non-current assets | - | 197 |
| 2.3 | Cash flows from loans to other entities | - | - |
| 2.4 | Dividends received (see note 3) | - | - |
| 2.5 | Other | - | - |
| 2.6 | Net cash from / (used in) investing activities | (2,551) | (4,173) |
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | - | 26,667 |
| 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 | - | (1,327) |
| 3.5 | Proceeds from borrowings | 224 | 224 |
| 3.6 | Repayment of borrowings | (19) | (19) |
| 3.7 | Transaction costs related to loans and borrowings | - | - |
| 3.8 | Dividends paid | - | - |
| 3.9 | Other – security bond refund | 645 | 645 |
| 3.10 | Net cash from / (used in) financing activities | 850 | 26,190 |
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 19,238 | 3,267 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (5,064) | (12,828) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (2,551) | (4,173) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 850 | 26,190 |

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

| Consolidated statement of cash flows | | Current quarter \$A'000 | Year to date (12 months) \$A'000 |
|--------------------------------------|---|----------------------------|--|
| 4.5 | Effect of movement in exchange rates on cash held | (489) | (472) |
| 4.6 | Cash and cash equivalents at end of period | 11,984 | 11,984 |

| 5. | 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 | Current quarter \$A'000 | Previous quarter \$A'000 |
|------------|---|----------------------------|-----------------------------|
| 5.1 | Bank balances | 4,310 | 3,298 |
| 5.2 | Call deposits | 7,674 | 15,940 |
| 5.3 | Bank overdrafts | - | - |
| 5.4 | Other (provide details) | - | - |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 11,984 | 19,238 |

| 6. | Payments to related parties of the entity and their associates | Current quarter \$A'000 |
|---|---|----------------------------|
| 6.1 | Aggregate amount of payments to related parties and their associates included in item 1 | 277 |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | - |
| <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> | | |

Amounts shown at item 6.1 comprise of payments to related parties (or their associates) for director and administration fees paid during the quarter, including fees for services performed.

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

| 7. Financing facilities | Total facility amount at quarter end \$A'000 | Amount drawn at quarter end \$A'000 |
|--|---|--|
| <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> | | |
| <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i> | | |
| 7.1 Loan facilities | - | - |
| 7.2 Credit standby arrangements | - | - |
| 7.3 Other – equipment leases | 264 | 264 |
| 7.4 Total financing facilities | 264 | 264 |
| 7.5 Unused financing facilities available at quarter end | | - |
| 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. | |
| | Lenders: HYG Financial & Thermo Fisher Financial Services Interest rates: 5.5% & 4.99% Maturity dates: September 2025 to March 2028 | |

| 8. Estimated cash available for future operating activities | \$A'000 |
|---|--|
| 8.1 Net cash from / (used in) operating activities (item 1.9) | (5,064) |
| 8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | - |
| 8.3 Total relevant outgoings (item 8.1 + item 8.2) | (5,064) |
| 8.4 Cash and cash equivalents at quarter end (item 4.6) | 11,984 |
| 8.5 Unused finance facilities available at quarter end (item 7.5) | - |
| 8.6 Total available funding (item 8.4 + item 8.5) | 11,984 |
| 8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3) | 2.4 |
| <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: N/A |
| 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: N/A |
| 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: N/A |
| <i>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.</i> | |

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: 26 July 2024

Authorised by: The Board of Arizona Lithium Limited

(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.