

# LITHIUM BRINE DRILLING COMPLETE AT PAD #2

## HIGHLIGHTS

- Two exploration wells have been drilled at Pad #2, with one targeting the Souris River Formation and one targeting the Dawson Bay Formation.
- Pad #2 is the second pad of three pads detailed in the Preliminary Feasibility Study (PFS) released in December 2023<sup>1</sup>, and will have a target production of 2,000 tonnes per annum (tpa) of Lithium Carbonate Equivalent (LCE)<sup>2</sup>.
- The Company can convert the wells on Pad #2 into future production or disposal wells for future production at Pad #2.
- Drilling wells on each pad is a key part of the path to production.
- As detailed in the PFS, each pad has a Net Present Value (NPV) of approximately US\$150 million<sup>1</sup>.
- As previously announced Arizona Lithium is well funded with cash already received from the non-core acreage sale that raised A\$11 million in non-dilutive capital<sup>3</sup>.

Arizona Lithium Limited (ASX: AZL, AZLO, 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 Prairie Lithium Project (“**Prairie**”) and the Big Sandy Lithium Project (“**Big Sandy**”), is pleased to provide an update at the Prairie Project. Drilling is complete at Pad #2, where two exploration wells have been drilled targeting the Souris River and Dawson Bay formations that underlay the Duperow Formation (Figure 2). These two wells have the ability to be converted into future production or disposal wells, a key part of reaching commercial production at the Well Pad.

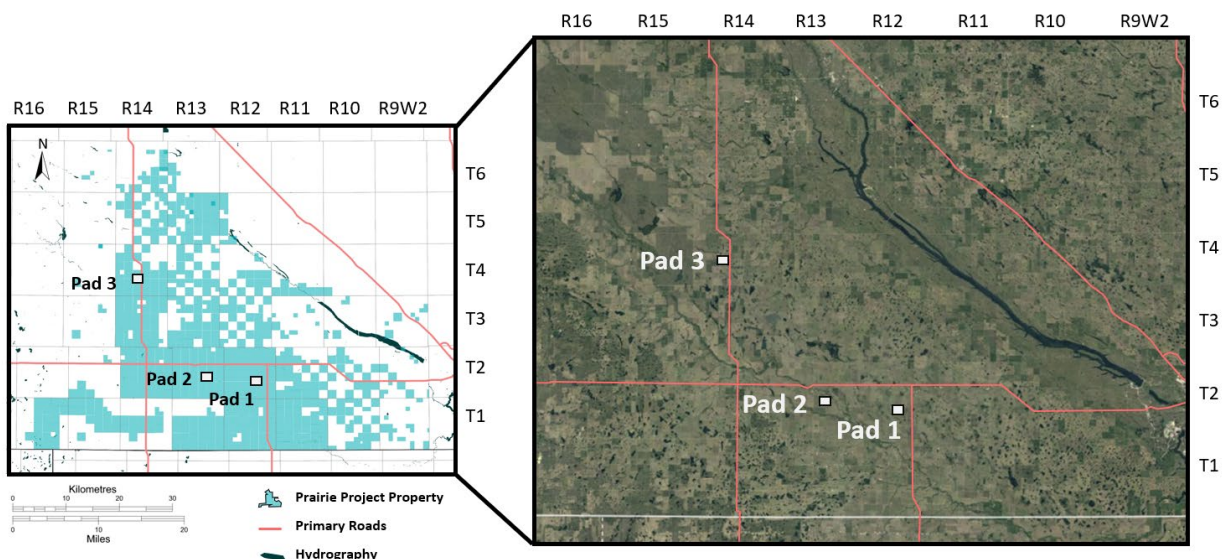
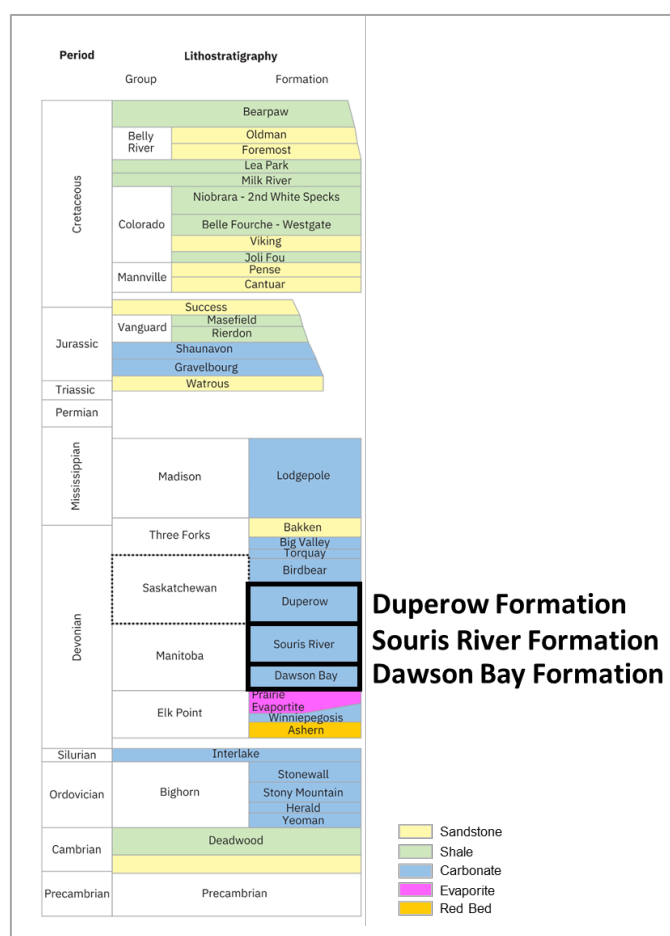


Figure 1: Pad Locations



**Figure 2: Drilling Rig at Pad #2**

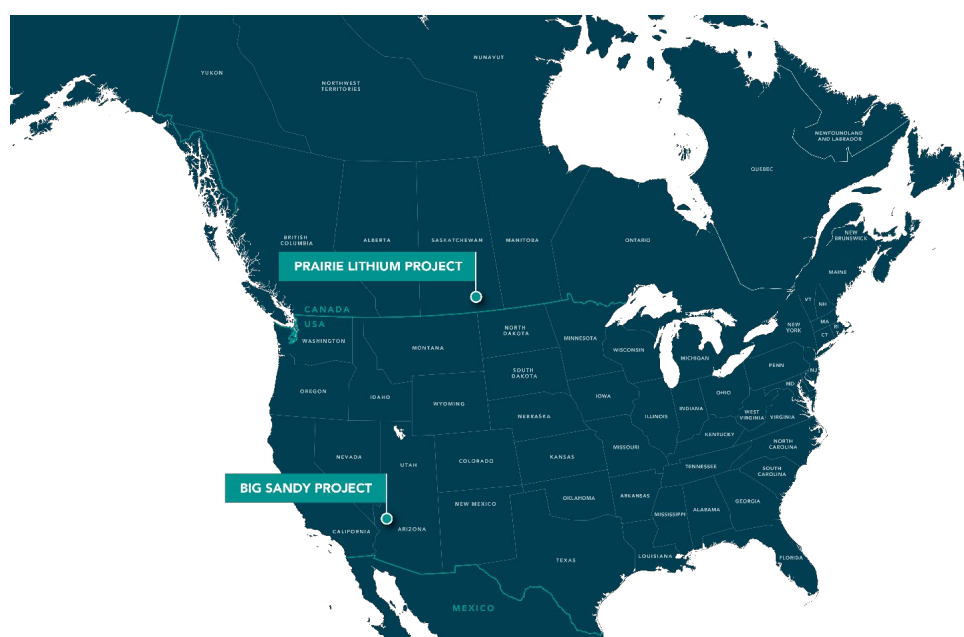


**Figure 3: Simplified Stratigraphic Chart**

**Arizona Lithium Managing Director, Paul Lloyd, commented:** *“The wells drilled at Pad #2 highlight our ability to drill wells across our project. These results will build on the encouraging exploration results from Pad #1. We recently announced that we had cleared Pad #3, and we plan to continue on this same trajectory where we are clearing pads, drilling wells and gearing up towards a world class Lithium project. We are well funded with the A\$11 million non core acreage sale earlier this month, and we will continue to work towards unlocking shareholder value.”*

### About the Prairie Lithium Project

AZL’s Prairie Lithium Project is located in the Williston Basin of Saskatchewan, Canada, and is 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 project also aims to have strong environmental credentials, with Arizona Lithium targeting to use less use freshwater, land and waste, aligning with the Company’s sustainable approach to lithium development.



**Figure 4: Location of Arizona Lithium's core projects**

This ASX announcement is authorised for release by the Board.

### For further information please contact:

Mr. Paul Lloyd  
Managing Director  
Tel. +61 419 945 395  
[paul@arizonalithium.com](mailto:paul@arizonalithium.com)

### References

1. ASX Announcement: “Prairie Lithium PFS Confirms Extremely Low Operating Costs of \$2,819 USD per tonne” – 29 December 2023.
2. Information in this announcement that relates to Production Targets have been extracted from the Company’s announcement released to ASX on 29 December 2023. 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 these Production Targets, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.
3. ASX Announcement: “AUD\$11 Million Non-Dilutive Cash Raised” – 7 October 2024.