

FLOW TESTING AT PAD #1 COMPLETED

HIGHLIGHTS

- Flow testing of Well #3 at Pad #1 has been completed. Completion work focused on additional testing of the recently discovered Dawson Bay and Souris River Lithium Formations.
- Results of the Completions work including grade and flow rates will be released to the market next month.
- The company will convert this well into a future production well at Pad #1.
- Arizona Lithium has recently announced the completion of drilling on Pad #2 and the clearing of the well pad at Pad #3 – following a similar pattern to clear, drill, complete and test wells ahead of commercial development.
- As detailed in the PFS, each pad has a Net Present Value (NPV) of approximately US\$150 million¹.
- 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 capital².

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. Completions work on the Dawson Bay and Souris River formations is complete at the third well on Pad #1. The well can be converted into a future production well ahead of the next step, which is commercial development and production. Figure 1 illustrates where each of the well pads are located geographically. Figure 2 shows the service rig on Well Pad #1 performing completions work. Figure 3 is a simplified chart of the stratigraphy – showing the Duperow, Souris River and Dawson Bay Formation’s.

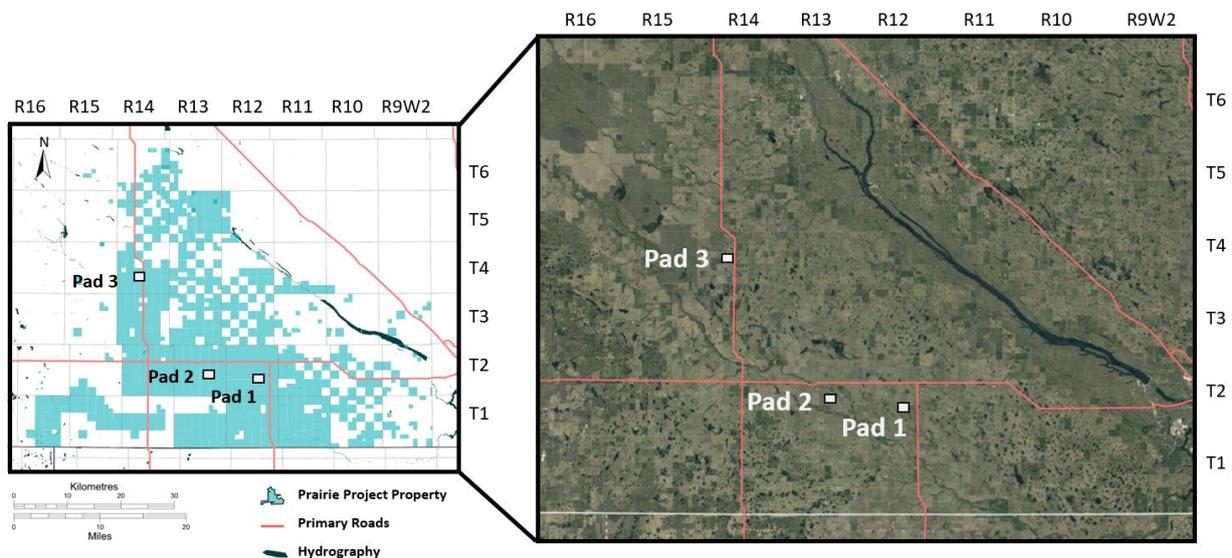


Figure 1: Pad Locations



Figure 2: Service Rig at Pad #1

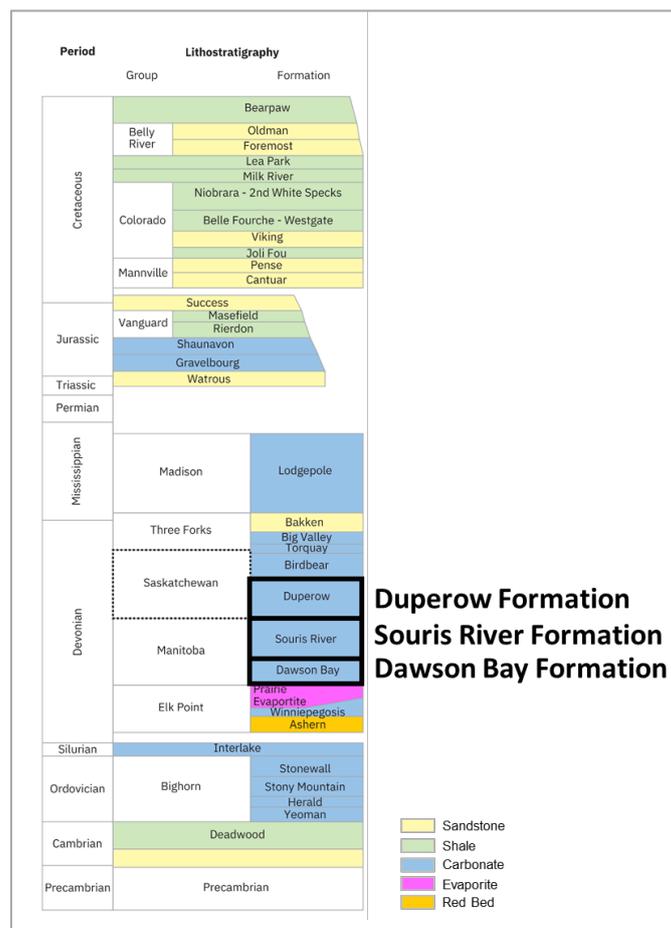


Figure 3: Simplified Stratigraphic Chart

A video of the completions work on the Pad can be found on the Company's website:
https://www.arizonalithium.com/wp-content/uploads/2024/10/720p_Match_Framerate.mp4

Arizona Lithium Managing Director, Paul Lloyd, commented: *“The completions at Pad #1 highlight our ability to drill wells and complete them across our project. The team has been focused and efficient at getting the work permitted, getting the pads cleared, drilling wells and completing wells. All of this has been done expeditiously and are all important steps ahead of production of Lithium products in 2025.”*

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.

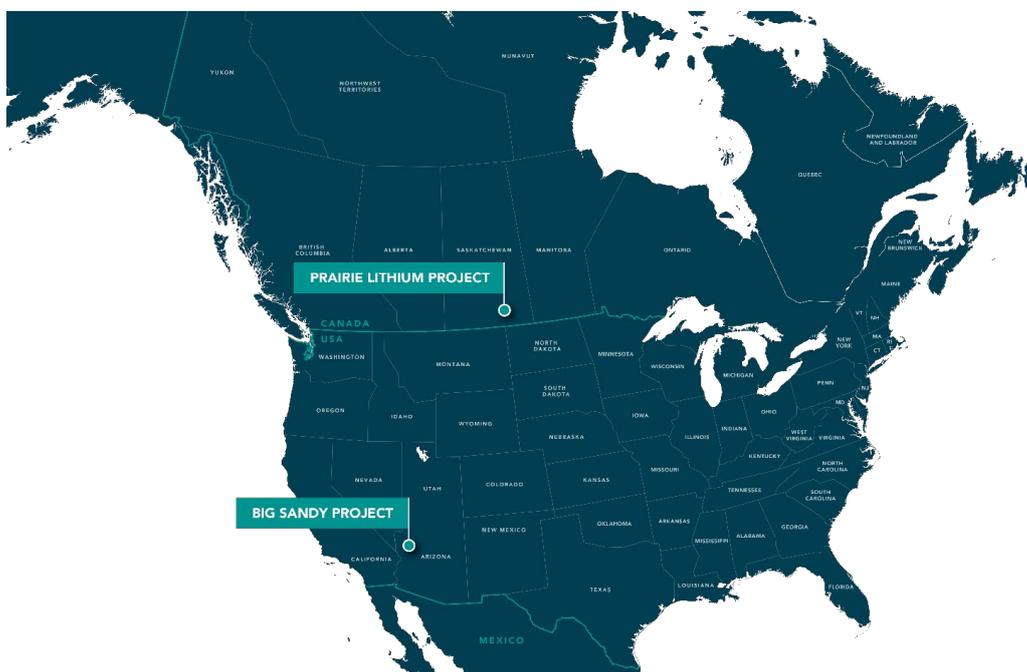


Figure 4: Location of Arizona Lithium's core projects

This ASX announcement is authorised for release by the Board.

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References

1. ASX Announcement: “Prairie Lithium PFS Confirms Extremely Low Operating Costs of \$2,819 USD per tonne” – 29 December 2023. Information in this announcement that relates to Net Present Value calculation has 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 the estimate of the Net Present Value, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.
2. ASX Announcement: “AUD\$11 Million Non-Dilutive Cash Raised” – 7 October 2024.