

ASX Announcement | 31 January, 2023

December 2022 Quarterly Report

HIGHLIGHTS

- Reung Kiet Lithium Prospect assay results received for infill and extensional sampling from drill holes RKDD058-072 continue to support the model with many high grade intersections, including:
 - **RKDD068: 29.65m @ 0.60% Li₂O**
 - **RKDD069: 20.30m @ 0.70% Li₂O**
 - **RKDD059: 8.50m @ 1.03% Li₂O**
 - **RKDD063: 7.40m @ 0.81% Li₂O**
 - **RKDD058: 3.45m @ 1.62% Li₂O**
- Bang I Tum Lithium Prospect field work results identifies a new target zone of approximately 800m long and 200 meters wide in which a lepidolite rich pegmatite dyke and vein swarm is interpreted. The original target zone supporting the 'Exploration Target' has been enlarged by 200% with some of the highest non selective rock chips and channel samples reported to date:
 - **44 of 64 samples average 1.56% Li₂O at a 0.30% Li₂O cutoff**
 - **35 samples >1.00% Li₂O and 12 samples >2.00% Li₂O**
 - **Maximum grade 2.62% Li₂O**
- Reung Kiet Lithium Prospect test-work confirms excellent amenability of mineralisation to ore sorting with the 'ore' head grade almost doubling from 0.50% Li₂O in the feed to 0.92% Li₂O in the sorted products. Results indicated 72.8% lithium recovery into 39.2% sample yield at an average grade of 0.92% Li₂O and 60.8% of the feed discarded as waste/low grade siltstone at an average grade of 0.22% Li₂O.
- Reung Kiet Lithium Prospect metallurgical flotation test-work results based on representative diamond drill core samples finalized, Lithium mica concentrate grades up to 3.0% Li₂O with lithium recoveries up to 78%.
- Cash Balance of **A\$6.0 million** comprising A\$1.5 million as at 31st December and A\$4.5 million raised through a private placement as announced on Tuesday the 31st of January which is scheduled for settlement in late February.

PAN ASIA METALS LIMITED

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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, 2022.

PROJECTS

Reung Kiet Lithium Project - Ore Sorting

During the Quarter PAM completed ore sorting test-work conducted on drill core sample from the Reung Kiet Lithium Prospect, delivering exceptional results which indicated 72.8% lithium recovery into 39.2% sample yield at an average grade of 0.92% Li₂O, almost double the feed grade of 0.50% Li₂O. 60.8% of the feed was discarded as waste/low grade siltstone at an average grade of 0.22%, which is below the current Mineral Resource cutoff grade of 0.25% Li₂O. See Table 1 below and PAM's ASX announcements dated 22 November, 2022, titled 'Exceptional Ore Sorting Test-Work Results Confirmed' (see Table 3: Summary of ASX Announcements).

Table 1. Sorting test results

Sort sizes	Description	Mass yield (%)	Li ₂ O grade (%)	Li recovery (%)
-50mm, +25mm	Pegmatite product	30.03	1.00	60.36
-25mm, +10mm	Pegmatite product	4.54	0.85	7.80
-10mm fines	Pegmatite and siltstone mixed	4.67	0.49	4.63
-50mm, +10mm	Siltstone/waste reject	60.76	0.22	27.21
Pegmatite product and mixed fines		39.24	0.92	72.79

As per Photo 1 below the test-work demonstrated that the sampled mineralisation was highly amenable to ore sorting which results in the separation of the material into essentially homogenous aplo-pegmatite with little siltstone contamination and siltstone with little pegmatite. This was a very good outcome as the pegmatite contains the bulk of the lithium mineralisation.



Photo 1. Sorted samples -50mm, +10mm

Flotation test-work on the sorted material is being undertaken and further ore sorting test-work will also be undertaken on composite samples from additional drillholes.

Reung Kiet Lithium Prospect - Drilling

During the Quarter PAM released two (2) drilling updates for Reung Kiet, see PAM's ASX announcements dated 12 October and 23 November, 2022, and titled accordingly (see Table 3: Summary of ASX Announcements). These announcements related to assay results received for infill and extensional sampling from drill holes RKDD058-072 (see Table 2). Lithium assay results continue to be positive.

Table 2. RKLP - Reung Kiet Prospect - Standout Drill Results for the Quarter

Hole ID	from (m)	to (m)	int (m)	Li ₂ O (%)
<i>RKDD058</i>	<i>4.55</i>	<i>8.00</i>	<i>3.45</i>	<i>1.62</i>
<i>RKDD059</i>	<i>5.80</i>	<i>13.55</i>	<i>7.75</i>	<i>0.73</i>
<i>RKDD059</i>	<i>6.85</i>	<i>11.00</i>	<i>4.15</i>	<i>1.12</i>
<i>RKDD059</i>	<i>29.00</i>	<i>37.50</i>	<i>8.50</i>	<i>1.03</i>
<i>RKDD060</i>	<i>11.10</i>	<i>20.25</i>	<i>9.15</i>	<i>0.58</i>
<i>RKDD061</i>	<i>16.30</i>	<i>29.00</i>	<i>12.70</i>	<i>0.47</i>
<i>RKDD062</i>	<i>122.45</i>	<i>128.25</i>	<i>5.80</i>	<i>0.61</i>
<i>RKDD062</i>	<i>143.00</i>	<i>149.80</i>	<i>6.80</i>	<i>0.53</i>
<i>RKDD063</i>	<i>74.30</i>	<i>81.70</i>	<i>7.40</i>	<i>0.81</i>
<i>RKDD063</i>	<i>74.30</i>	<i>77.65</i>	<i>3.35</i>	<i>1.19</i>
<i>RKDD067</i>	<i>142.15</i>	<i>160.15</i>	<i>18.00</i>	<i>0.54</i>
<i>RKDD067</i>	<i>152.60</i>	<i>160.15</i>	<i>7.55</i>	<i>0.94</i>
<i>RKDD067</i>	<i>169.55</i>	<i>180.35</i>	<i>10.80</i>	<i>0.78</i>
<i>RKDD068</i>	<i>28.40</i>	<i>34.00</i>	<i>5.60</i>	<i>0.95</i>
<i>RKDD068</i>	<i>50.40</i>	<i>62.50</i>	<i>12.10</i>	<i>0.48</i>
<i>RKDD068</i>	<i>67.85</i>	<i>97.50</i>	<i>29.65</i>	<i>0.60</i>
<i>RKDD068</i>	<i>71.00</i>	<i>76.00</i>	<i>5.00</i>	<i>0.74</i>
<i>RKDD068</i>	<i>78.50</i>	<i>83.50</i>	<i>5.00</i>	<i>0.92</i>
<i>RKDD068</i>	<i>90.50</i>	<i>93.50</i>	<i>3.00</i>	<i>0.74</i>
<i>RKDD069</i>	<i>63.60</i>	<i>83.90</i>	<i>20.30</i>	<i>0.70</i>
<i>RKDD070</i>	<i>32.65</i>	<i>36.85</i>	<i>4.20</i>	<i>0.66</i>
<i>RKDD070</i>	<i>84.00</i>	<i>88.80</i>	<i>4.80</i>	<i>0.74</i>
<i>RKDD071</i>	<i>26.50</i>	<i>30.90</i>	<i>4.40</i>	<i>0.59</i>
<i>RKDD071</i>	<i>100.80</i>	<i>110.70</i>	<i>9.90</i>	<i>0.69</i>

PAM completed the Quarter on drill holes RKDD099 and RKDD100 with 3,187 meters drilled during the quarter for a total of 18,362.6 meters drilled at Reung Kiet as at 31 December. PAM is currently drilling RKDD0101. See Figure 1.

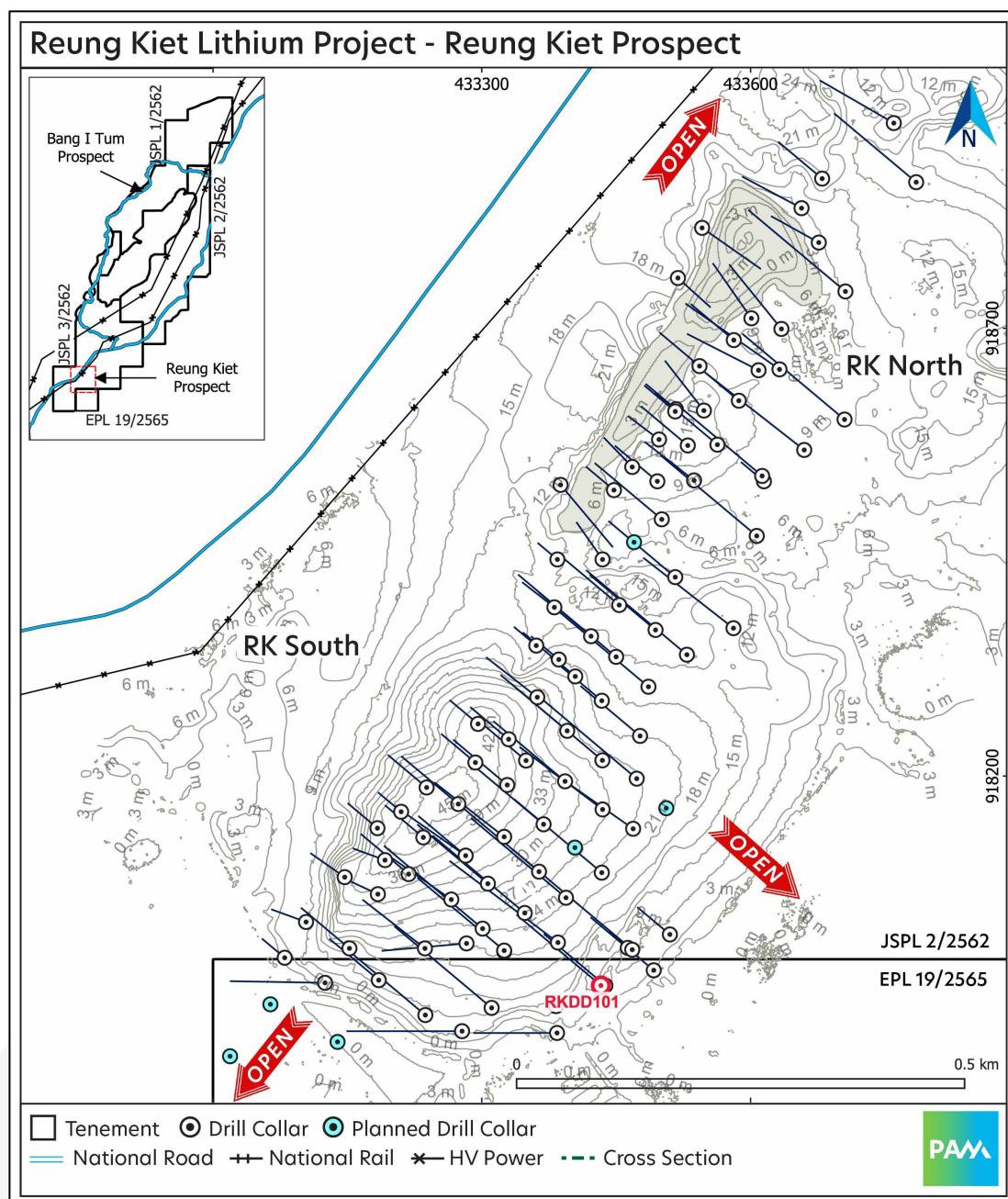


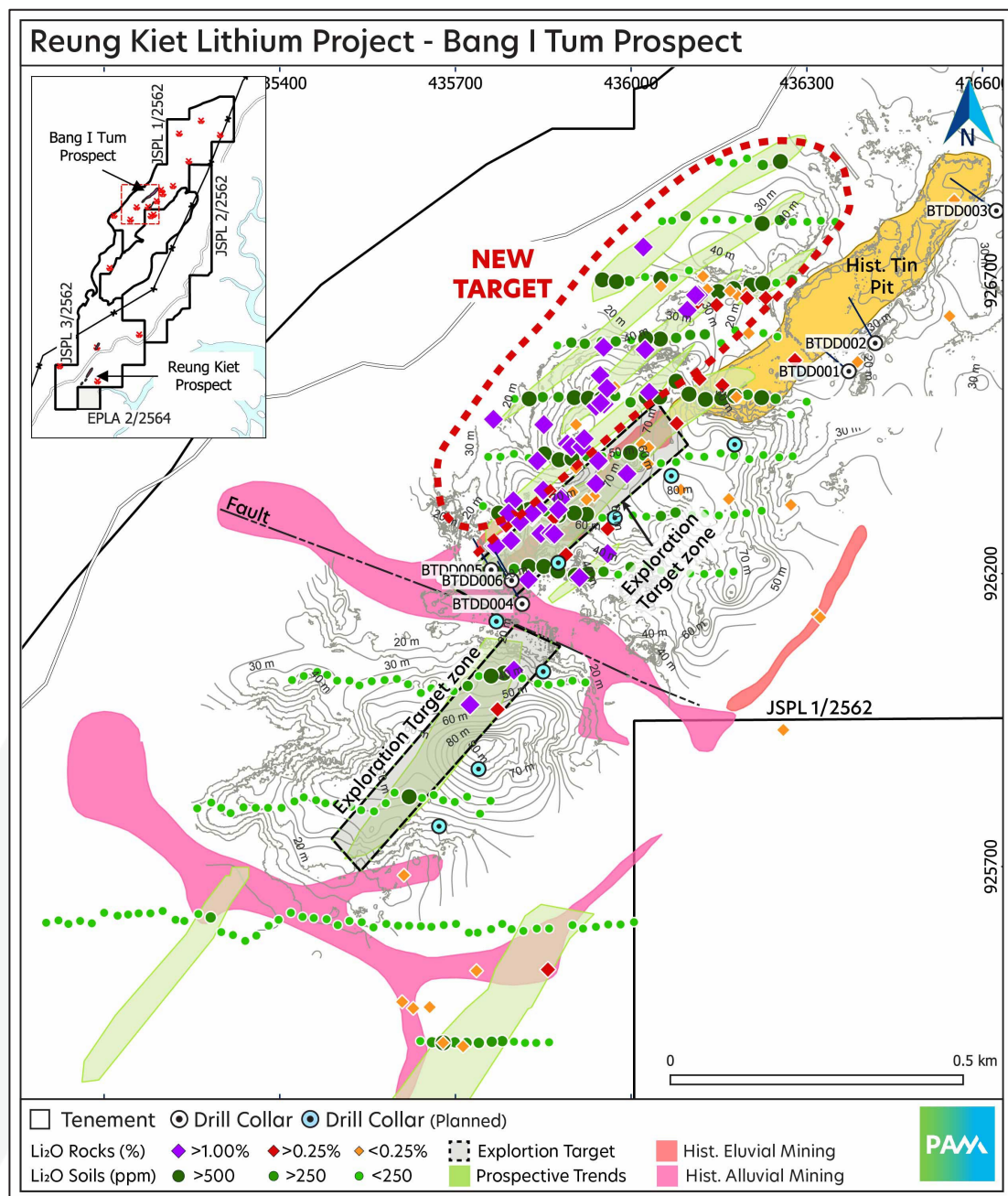
Figure 1. Reung Kiet Prospect, Phang Nga Province, southern Thailand

Bang I Tum Lithium Prospect - Exploration

During the Quarter PAM reported assay results for a new target zone at the Bang I Tum Lithium Prospect (BIT), which complements the Reung Kiet Lithium Prospect about 8km to the southwest. As per Figure 2 below the BIT target zone was increased by 200% and we reported the highest suite of Li_2O grades to date, with 44 of the 64 (~70%) rock chip and channel samples collected averaging 1.56% Li_2O at a 0.30% Li_2O cutoff, including:

- 35 samples >1.00% Li₂O
- 12 samples >2.00% Li₂O
- Maximum grade 2.62% Li₂O

See ASX Announcements dated 21 September and 24 October, 2022, and titled 'Bang I Tum Prospect - Exploration Update' and 'Bang I Tum Prospect - High Grade Lithium Results' respectively (see Table 3: Summary of ASX Announcements).



This followed PAM's reporting of a drill supported Exploration Target of 8 to 14 million tonnes at a grade ranging between 0.5% to 0.8% Li₂O in accordance with the JORC Code 2012 the previous quarter. See Table 3 below and PAM's ASX Announcement dated 27 July, 2022, and titled 'Reung Kiet Lithium Project Exploration Target'.

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.

Table 3. RKLP - Bang I Tum Prospect - Exploration Target, 27 July, 2022

	Million Tonnes	Li ₂ O %	Sn %	Ta ₂ O ₅ (ppm)	Rb %	Cs (ppm)	K (%)
Lower	8.0	0.80	0.09	120	0.30	250	2.80
Upper	14.0	0.50	0.07	95	0.24	210	2.40

The drilling rigs are being prepared to start drilling at Bang I Tum and PAM plans to drill up to 15,000m of diamond core with the objective of assessing the Exploration Target and adjacent prospects and define a Mineral Resource to complement that at Reung Kiet.

Kata Thong Lithium Project

In the September 2022 Quarterly Report PAM also discussed five (5) Special Prospecting Licence Applications (SPLA) covering approximately 45km² in the Phang Nga Province in southern Thailand - the 'Kata Thong Geothermal Lithium and Hard Rock Lithium-Tin Project' (Kata Thong) (see PAM's ASX Announcements dated 31 August, 2021, and titled 'Geothermal Li and Hard Rock Li-Sn Initiative', and 31 October, 2022, and titled 'September 2022 Quarterly Report'. Two applications (DSPLA1 and 2) are waiting for approval. Two applications (DSPLA 3 and 4) are awaiting sign off from the Governor, Phang Nga Province, before proceeding to DPIM, Bangkok. The 5th application (DSPLA 5) is on hold and awaiting clarification on land tenure.

Reung Kiet Lithium Project - Metallurgical Test-work Results

Subsequent to the Quarter's end PAM reported finalized metallurgical flotation test-work results based on diamond drill core samples from the Reung Kiet Lithium Prospect. See PAM's ASX Announcement dated 19 January, 2023, and titled 'Reung Kiet Lithium Project - Metallurgical Test-work Results'.

The test-work was conducted on two separate composites comprised of fresh and weathered mineralisation derived from laboratory 'coarse crush rejects' (100% <3.35mm) from ½ HQ sized drill core selected from drillholes identified by the orange drill collars in Figure 3 below.

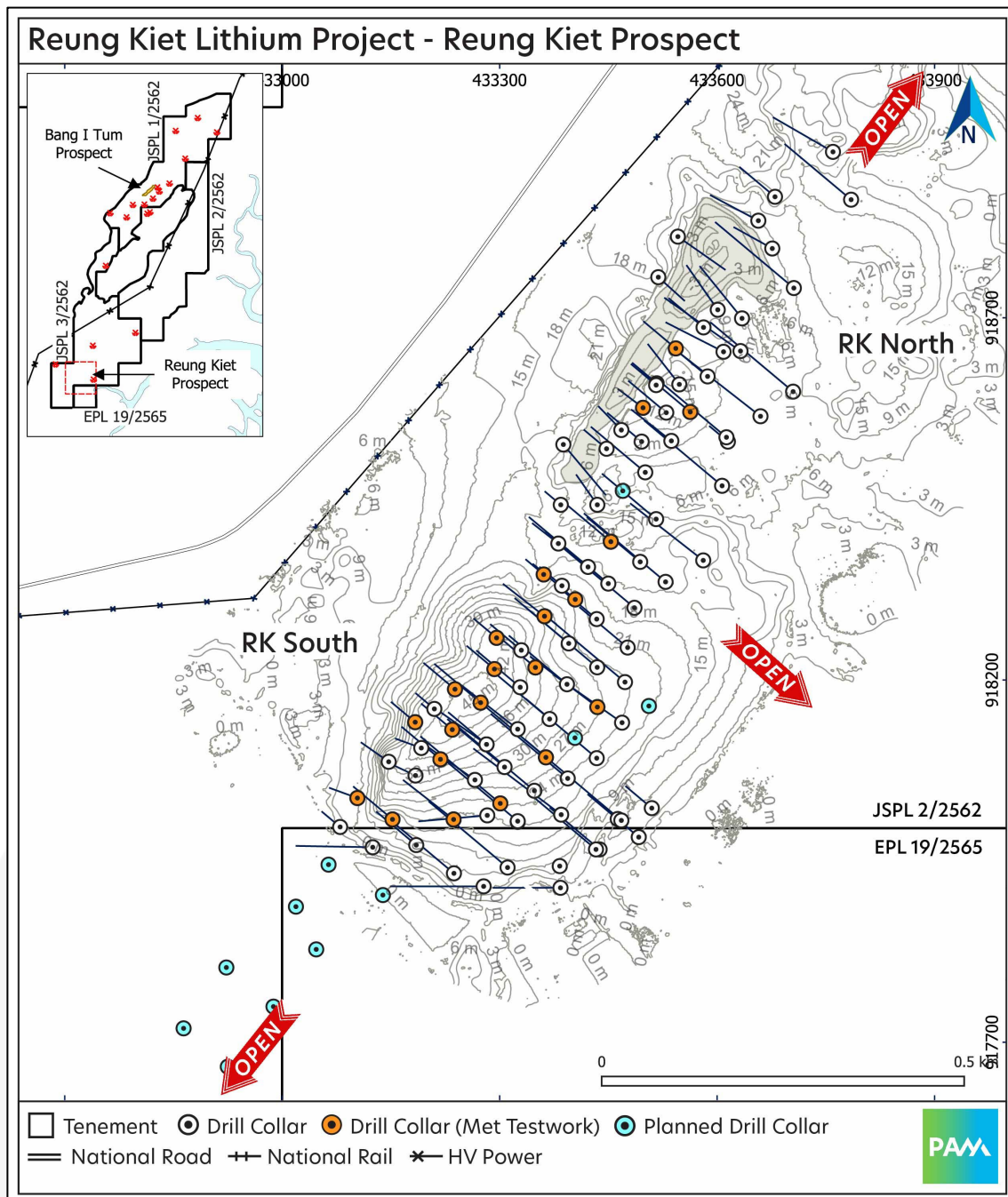


Figure 3. Reung Kiet Prospect, Phang Nga Province, southern Thailand

The samples were selected to represent mineralisation throughout the deposit and reflect what are considered to be mineable widths in a potential open cut mine. Therefore, the samples contain both internal and external dilution predominantly composed of low-grade siltstone.

The test-work demonstrated that relatively high recoveries of lithium to concentrate are achievable utilizing industry standard methods with both the fresh and weathered mineralisation undergoing similar comminution and beneficiation. This has resulted in concentrate grades of around 3.0% Li₂O with Li recoveries up to 78%.

Further flotation optimisation work is planned and will seek to confirm the BGRIMM data. This work is being conducted by Nagrom in Perth.

Nagrom will also conduct flotation testwork on sample products from recent 'ore-sorting testwork' which has proven to reduce the amount of low grade siltstone in the potential ROM feed which serves to increase the overall lithium grade of the feed. Historical testwork and previous PAM testwork suggests this should result in better lithium recoveries and a higher concentrate grade.

The lithium mica concentrates produced by BGRIMM have recently been delivered to ALS Global in Perth. These concentrates will undergo roasting and conversion testwork to produce lithium carbonate. The process route being tested is an Alkaline Salt Roast, which is commonly referred to as a Sulphate Roast. This is the process predominantly used in China and therefore, as there is an operating track record, the process has been de-risked.

Additional lithium mica concentrates produced by BGRIMM will also be delivered to Glencore Technology in Brisbane where the concentrates will undergo oxidative acid leaching testwork using Glencore Technology's Albion Process™ to solubilize the lithium for conversion to lithium carbonate. Although the acid leaching increases complexity and risk PAM is of the opinion that preliminary investigations are worthwhile.

China is the only jurisdiction where lithium chemicals are being commercially produced from lepidolite 'ores'. The Hard Rock LCE Cost Curve in Figure 4 below uses data compiled by Wood Mackenzie (Asia Pacific) Pte. Ltd. (WM) for Tianqi Lithium Corporation¹. It demonstrates the cost competitiveness of lepidolite as a source of LCE and that China produced approximately 50,000t of LCE from lepidolite in 2021, representing about 18% of global hard-rock LCE production. Benchmark Intelligence recently stated, "We will see more lepidolite be brought online in China in 2023."

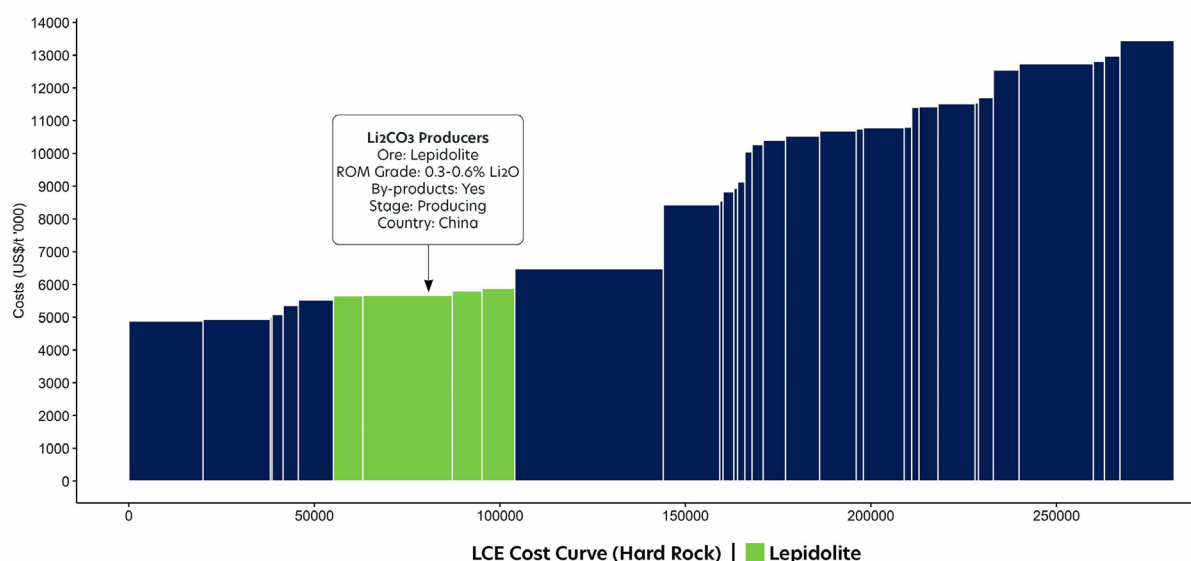


Figure 4. 2021 Hard Rock LCE Cost Curve (Source: Wood Mackenzie, modified)

WORK PLAN

PAM will complete the drilling campaign at Reung Kiet and the rigs will relocate to the Bang I Tum prospect.

PAM will be reporting a Mineral Resource update for Reung Kiet. This will result in an additional 49 holes being incorporated into the updated Mineral Resource. This will enable open pit optimization work and preliminary mine design to be undertaken. An evaluation of underground mining options is also planned.

Drilling will commence at the Bang I Tum prospect where PAM has planned up to 15,000m of diamond core drilling. This is designed to test the existing Exploration Target as well as newly identified adjacent zones. The target trend to be tested is approximately 1.2km long and up to 200m wide. With successful outcomes the drilling should enable a Mineral Resource to be estimated.

Regional target generation is planned with soil sampling and associated reconnaissance geological mapping and rock chip sampling. This work will target extensions to the Reung Kiet and Bang I Tum trends as well as evaluate targets at the Kata Thong project.

Metallurgical testwork programs during the quarter will include sulphate roasting of lepidolite concentrate, with water leaching and purification to produce battery grade lithium carbonate.

Ongoing flotation testwork to confirm the results obtained from BGRIMM and further optimize the flotation flowsheet. This will include flotation testwork on the samples produced from ore sorting testwork.

Additional ore sorting testwork is planned to support previous work and also test the potential to sort the oxide/transitional mineralisation.

Lepidolite concentrate will be tested by Glencore Technology using their oxidative acid leach Albion Process TM to investigate solubilizing lithium and related by-products to assess the potential to produce lithium carbonate.

PAM continues to assess lithium and other battery metal target opportunities in the region

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 and which are situated in low cost jurisdictions in Asia and elsewhere proximal to advanced industrial centres, and which have low carbon footprints. 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.

The Company's strategy is simple, it seeks to secure battery and critical metals exploration and development assets which have the potential to be positioned in the lowest or leading third of the cost curve and which position the Company for downstream value adding opportunities.

The three key underlying factors to PAM's strategy in Southeast Asia are: i. the region's growth prospects; ii. the region's low-cost environment; and iii. aligning with the right knowledge partners.

The population of South and Southeast Asia is greater than 2 billion, with over 500 million in the middle class and many more aspiring to the middle class. Further, Southeast Asia has one of the youngest populations in the world; and in several Southeast Asian countries there are well established hi-tech industrial and manufacturing centres, making it one the highest growth and lowest cost regions globally.

Thailand is the largest auto producer in Southeast Asia and the 4th largest in East Asia. Thailand's policy settings are aimed at enabling a rapid transition to Electric Vehicle (EV)

and Lithium Ion Battery (LIB) production. Representative of this policy setting, Mercedes recently commenced production of its flagship EQS EV in Thailand.

Singapore, Vietnam, Indonesia, Malaysia and India are also aggressively pursuing EV and LIB initiatives. These six countries render the region one of the most strategic EV-LIB manufacturing ecosystems globally. This dynamic presents excellent opportunities for growth and PAM is positioning itself to be a leading battery metals and chemical supplier in the region.

PAM's primary objective is the development of the Reung Kiet Lithium Project (Reung Kiet) located in Southern Thailand, for which PAM is undertaking 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. Further, PAM is pursuing additional value-adding opportunities for these projects, such as the production of Cathode Active Materials (CAM). This would likely be via an alliance or arrangement with a knowledge partner.

PAM is also assessing the opportunity and potential for standalone midstream opportunities in Southeast Asia, for example lithium chemical conversion to manufacture lithium carbonate or lithium hydroxide. The execution of such initiatives would also be achieved through alliances with knowledge partners. To this end PAM has had exploratory discussions with chemical manufacturers and has also opened discussions with relevant Government bodies in several Asian countries, including the Malaysian Investment Development Authority, Thailand's Board of Investment and Vietnam's Foreign Investment Agency. Success could see PAM positioned as a leader in the supply of battery metals and chemicals in the region.

Given the growth forecasts for electric vehicles and the subsequent demand for lithium chemicals, PAM is also considering project opportunities farther afield. Such opportunities need to meet PAM's hurdles for consideration, i.e. they need to demonstrate attributes which stand them apart from the broader peer group, including but not limited to geology, geography, access to inputs, infrastructure, and so on. In considering these project opportunities the underlying thematic is the opportunity to value add any outputs, preferably in Southeast Asia.

MARKETS

Lithium

The latest lithium concentrate sale price on the Battery Metal Exchange was over US\$8,299 per tonne¹ on an SC6.0 CIF China equivalent, this is considerably higher than the SC6 CIF China price of US\$6,110 per tonne published by Asia Metals Inc. on the same day, which is a compilation of 'spot prices and fundamental data'. The 24month average ratio of *Lithium Carbonate Equivalent (LCE) to 6.0% Spodumene Concentrate (SC6)* (LCE/SC6) is about 19.2x, it currently sits at about 12x. The question is whether we will see this ratio move back to the average as concentrate production increases.

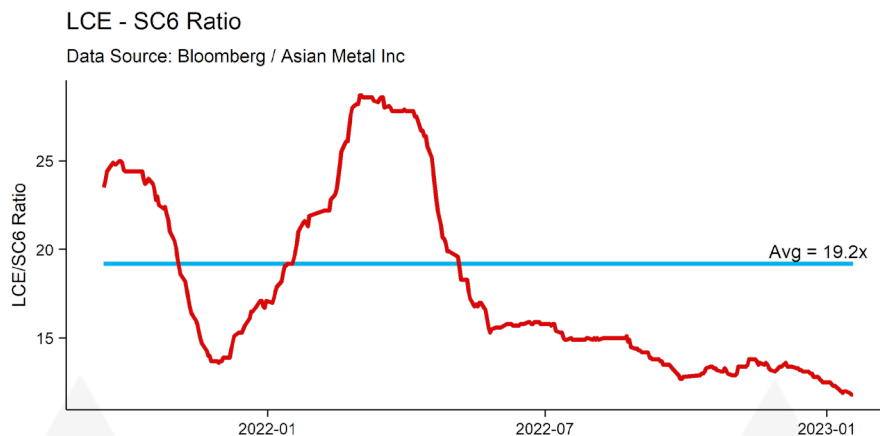


Figure 7. Lithium Carbonate / Hydroxide Price (US\$ delivered, China)

Battery grade lithium carbonate (Li_2CO_3) and lithium hydroxide (LiOH) prices reached new record levels on the 14th of November and the 13th of December respectively, trading at US\$84,524 and US\$81,491 respectively on a delivered basis China, before pulling back toward \$70,000 in late January (see Figure 8). . The next BMX results will be interesting.

¹ Pilbara Minerals Limited ASX Announcement (14 December, 2022). Results of BMX Auction. [online]. Available at: <https://www.asx.com.au/asxpdf/20221215/pdf/45jtrxqmmh97c1.pdf>. [Accessed 27 January 2023].

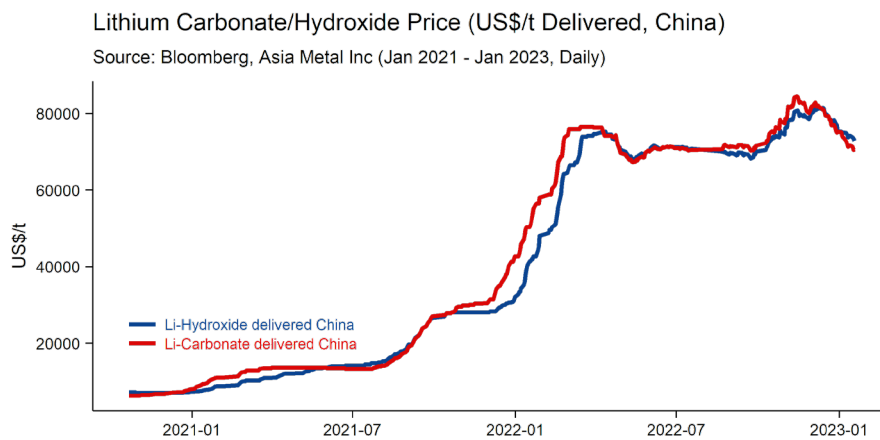


Figure 8. Lithium Carbonate / Hydroxide Price (US\$ delivered, China)

Tungsten

Tungsten is not a well understood metal but it is a critical metal and in 2020 was ranked as the metal with the highest level of economic importance by the European Commission's 'Study on the EU's list of Critical Raw Materials (2020)'². This is so because tungsten is absolutely essential for industry and industrial activity.

PAM's Khao Soon Tungsten Project is one of the largest and highest grade tungsten exploration projects in the global peer group, with an Exploration Target of 15-29Mt at 0.2-0.4% WO₃, PAM's aim is to value add a concentrate and produce Ammonium paratungstate (APT).

APT is the benchmark price used for tungsten trioxide (WO₃) concentrates. WO₃ concentrates are priced at a ~18-35% discount to the APT price, the discount is governed by a number of factors including market conditions, geography and concentrate quality. As per Figure 9 below the APT price on a Free on Board (FOB) basis China pulled back to a 12 month low US\$31,700/t in early December before moving back above US\$32,000/t.

² European Commission (2020). Study on the EU's list of Critical Raw Materials (2020). [online]. Available at: https://ec.europa.eu/growth/sectors/raw-materials/areas-specific-interest/critical-raw-materials_en. [Accessed 18 July, 2020].

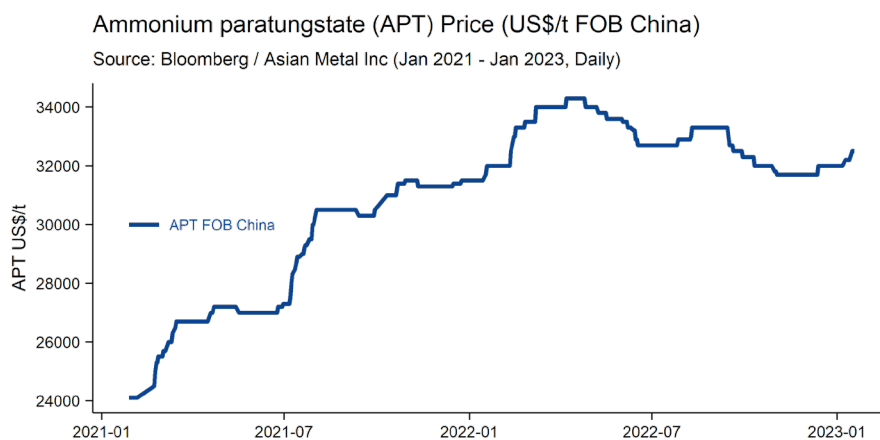


Figure 9. Ammonium Paratungstate Price (US\$ FOB, China)

With very strong pricing for both lithium and tungsten, PAM is well positioned with its focus on critical metals and projects in low cost environments which are proximal to advanced industrial centres, positioning PAM for value adding.

CORPORATE

There were no material corporate activities during the Quarter.

Finance

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

As at 31 December, 2022, the Company held **A\$1.5m** (US\$1.0m) in cash and as per its ASX Announcement dated 31 January, 2023, and titled 'PAM raises \$4.5m via a placement at a premium price' PAM raised **A\$4.5m** via the issue of 11,250,000 ordinary shares which is scheduled for settlement in late February.

PAM's expenditure during the Quarter was as follows:

Item	US\$ ('000s)	A\$ ('000s)
Cash Balance at beginning of Quarter	2,181	3,353
Staff Costs	(149)	(226)
Administration and Corporate Costs	(316)	(479)
Property, Plant and Equip. Purchases	54	82
Exploration and Evaluation	(33)	(50)
Cost of raising capital	(739)	(1,120)
Other	(3)	(5)
FX Movements	45	(26)
Cash Balance at End of Quarter	1,040	1,529

During the Quarter the Company made payments of US\$112k (A\$170k) to the Directors of the Company towards their remuneration.

EVENTS SUBSEQUENT TO QUARTER END

PAM reported finalized metallurgical flotation test-work results based on diamond drill core samples from the Reung Kiet Lithium Prospect. See discussion above and PAM's ASX Announcement dated 19 January, 2023, and titled 'Reung Kiet Lithium Project - Metallurgical Test-work Results'.

As per its ASX Announcement dated 31 January, 2023, and titled 'PAM raises \$4.5m via a placement at a premium price' PAM raised **A\$4.5 million** via the issue of 11,250,000 ordinary shares which is scheduled for settlement in late February.

Ends

Authorised by:

Board of Directors

TABLE 3 - SUMMARY OF ASX ANNOUNCEMENTS

Date	Price Sensitive	Title	Relevant Project(s)
07 Oct 2022		Application for quotation of securities - PAM	
12 Oct 2022	\$	Drilling Update - Reung Kiet Lithium Project	RKLP
24 Oct 2022	\$	Bang I Tum Prospect - High Grade Lithium Results	RKLP
25 Oct 2022		PAM Corporate Presentation	RKLP
31 Oct 2022	\$	Quarterly Activities Report	
31 Oct 2022	\$	Appendix 5B	
02 Nov 2022	\$	Reung Kiet Lithium Processing Test-Work Update	RKLP
08 Nov 2022	\$	Exceptional Ore Sorting Test-Work Results	RKLP
22 Nov 2022	\$	Exceptional Ore Sorting Test-Work Results Confirmed	RKLP
23 Nov 2022	\$	Reung Kiet Lithium Project - Drilling Update	RKLP
13 Dec 2022	\$	Pause in Trading	
13 Dec 2022	\$	Trading Halt	
15 Dec 2022	\$	Suspension from Quotation	
16 Dec 2022		Request for an extension to the Suspension	
19 Dec 2022		Request for an extension to the Suspension	
20 Dec 2022		Request for an extension to the Suspension	
21 Dec 2022		Request for an extension to the Suspension	
21 Dec 2022	\$	Response to ASX Aware Query	
21 Dec 2022	\$	Retraction	
21 Dec 2022	\$	Reinstatement to Quotation	
<i>Announcements subsequent to quarter end</i>			
19 Jan 2023	\$	Reung Kiet Lithium - Metallurgical Test-work Results	RKLP
31 Jan 2023	\$	PAM raises \$4.5m via a placement at a premium price	
31 Jan 2023		Proposed issue of securities - PAM	

TABLE 4 - TENEMENT SCHEDULE - SPL AND EPL

Tenement / Application	Holder / Applicant	% Held	Granted	Term (Years)	Area (Km ²)	Country
Reung Kiet Lithium Project						
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
Kata Thong Geothermal Lithium and Hard Rock Lithium/Tin Project						
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
Khao Soon Tungsten Project⁽ⁱ⁾						
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 WO₃ 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 WO₃ 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.

TABLE 5 - TENEMENT SCHEDULE - GENERAL PROSPECTING LICENSES, THAILAND

Tenement / Application	Holder / Applicant	Province	Related Project	% Held	Granted	Term (Years)
PL1/2565 Bangphra-Nua	PAM1	Ranong	n/a	100	07-June-2022	1
PL1/2565 Bang-Rin	PAM1	Ranong	n/a	100	09-June-2022	1
PL1/2565 Raja-Grood	PAM1	Ranong	n/a	100	17-June-2022	1
PL1/2565 Banna	PAM1	Ranong	n/a	100	05-June-2022	1
PL1/2565 Rommanee	PAM2	Phang Nga	Kata Thong	100	01-June-2022	1
PL1/2565 Thana	PAM2	Phang Nga	Kata Thong	100	10-June-2022	1
PL1/2565 Lhe	PAM2	Phang Nga	Kata Thong	100	17-June-2022	1
PL1/2565 Noppring	PAM2	Phang Nga	Kata Thong	100	20-June-2022	1

PAM1: Pan Asia 1 Metals (Thailand) Co. Ltd.; PAM2: Pan Asia 2 Metals (Thailand) Co. Ltd. PAM1 and PAM2 are 100% held subsidiaries of the Company or a 100% held subsidiary of one of the Company's 100% held subsidiaries.

A GPL is a non-exclusive, non-renewable and non-transferable licence and is valid for one year. A GPL grants rights for mineral prospecting and exploration within a designated area of an administrative district or a province and exploration is restricted to geological, geochemical or geophysical surveys, i.e. trenching and drilling, are not permitted. Under its GPLs PAM will be able to conduct general reconnaissance activities on an exclusive basis on areas where PAM has SPL or EPL applications as SPL and EPL applications and licenses are exclusive, and on a non-exclusive basis on areas where PAM does not have SPL or EPL applications. Therefore, on PAM's Kata Thong application areas for example, PAM can conduct general exploration activities during the application process and therefore is positioned to identify or define drill targets and prepare them so that drilling can begin upon the award of the Kata Thong licenses.

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

- Mr Wayne Kernaghan, Australia
- Ms Fiza Alwi, Singapore

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Australian Securities Exchange (PAM)

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Accountants

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Share Registry

Advanced Share Registry
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Phone: +61 8 9389 8033

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ABOUT PAN ASIA METALS LIMITED (ASX:PAM)

Pan Asia Metals Limited (ASX:PAM) is a battery and critical metals explorer and developer focused on the identification and development of projects in Asia and elsewhere that have the potential to position the Company to produce metal compounds and other value-added products that are in high demand.

Pan Asia Metals is Exploring A Better Future®, we explore with principles, and we intend to mine and process with principles, conducting ourselves in a way that will bring benefit to all stakeholders, knowing that success includes community and environment.

Pan Asia Metals owns two lithium projects and one tungsten project. The projects are located in Thailand, a low cost advanced industrial economy, and fit the Company's strategy of developing downstream value-add opportunities situated in low-cost environments proximal to end market users.

Complementing Pan Asia Metal's existing project portfolio is its target generation program, aiming to identify desirable assets in the region. Pan Asia Metals plans to develop its existing projects while also expanding its portfolio via targeted and value-accretive acquisitions.

To learn more, please visit: www.panasiametals.com

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

Investor and Media Enquiries

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Pan Asia Metals Limited
Managing Director
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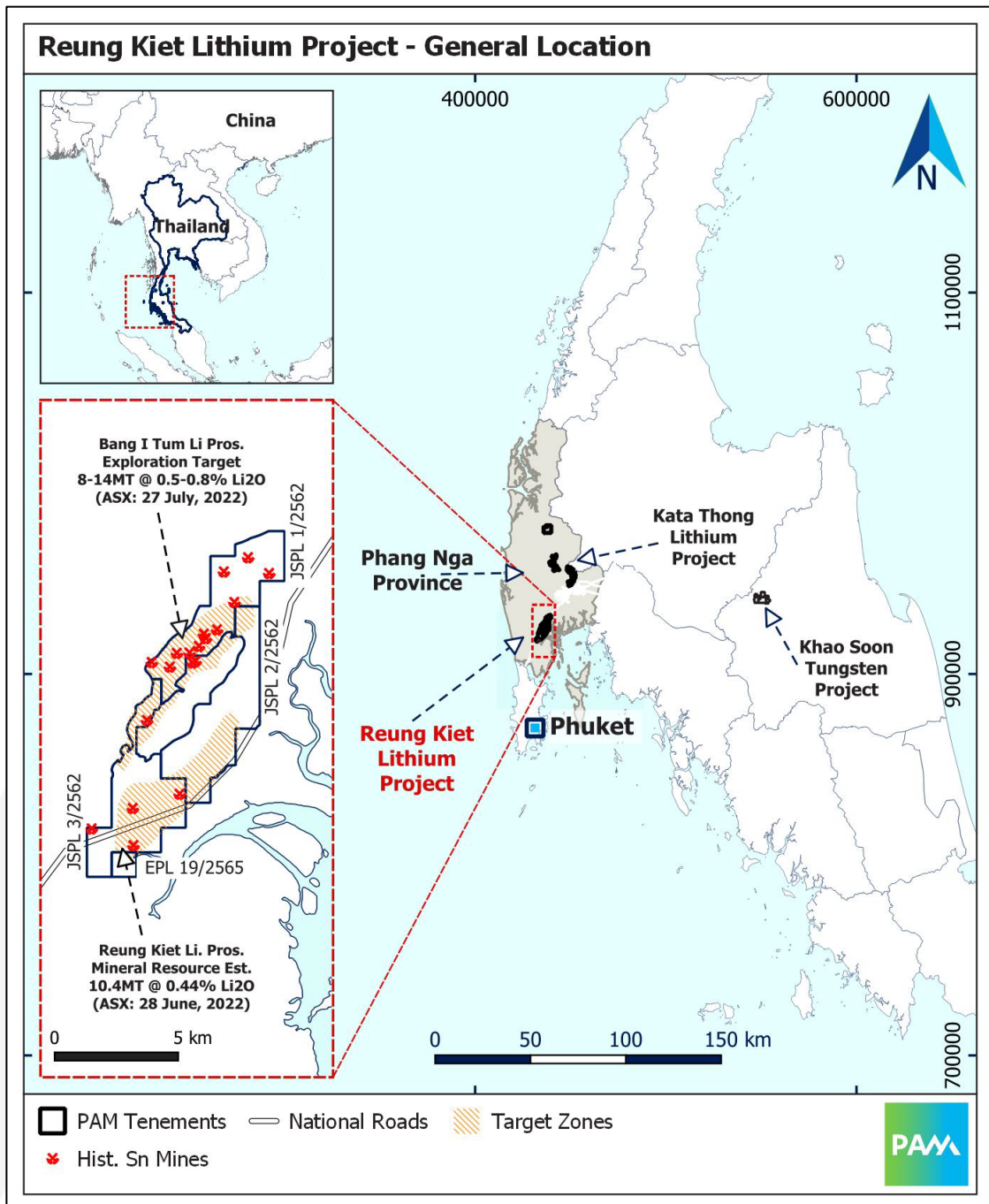
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Stay up to date and be informed by scanning this QR Code, we will deliver the latest news and updates directly to you.



ABOUT THE REUNG KIET LITHIUM PROJECT

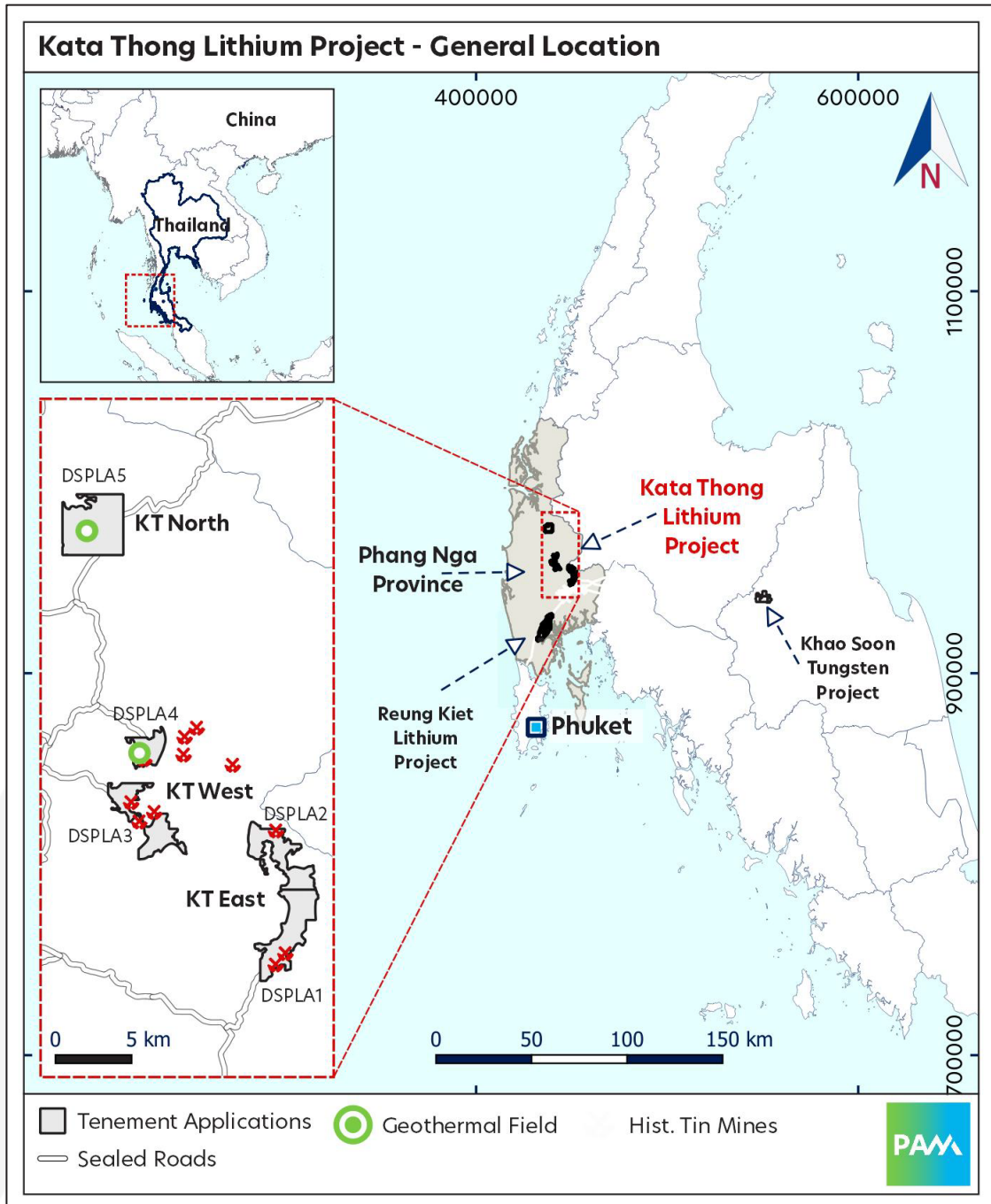
The Reung Kiet Lithium Project is a lepidolite style lithium project located about 70km north-east of Phuket in the Phang Nga Province in southern Thailand. Pan Asia holds a 100% interest in 3 contiguous Special Prospecting Licenses (SPL) and 1 Exclusive Prospecting License (EPL) covering about 40km².



Regional map identifying the location of the Reung Kiet Lithium Project

ABOUT THE KATA THONG LITHIUM PROJECT

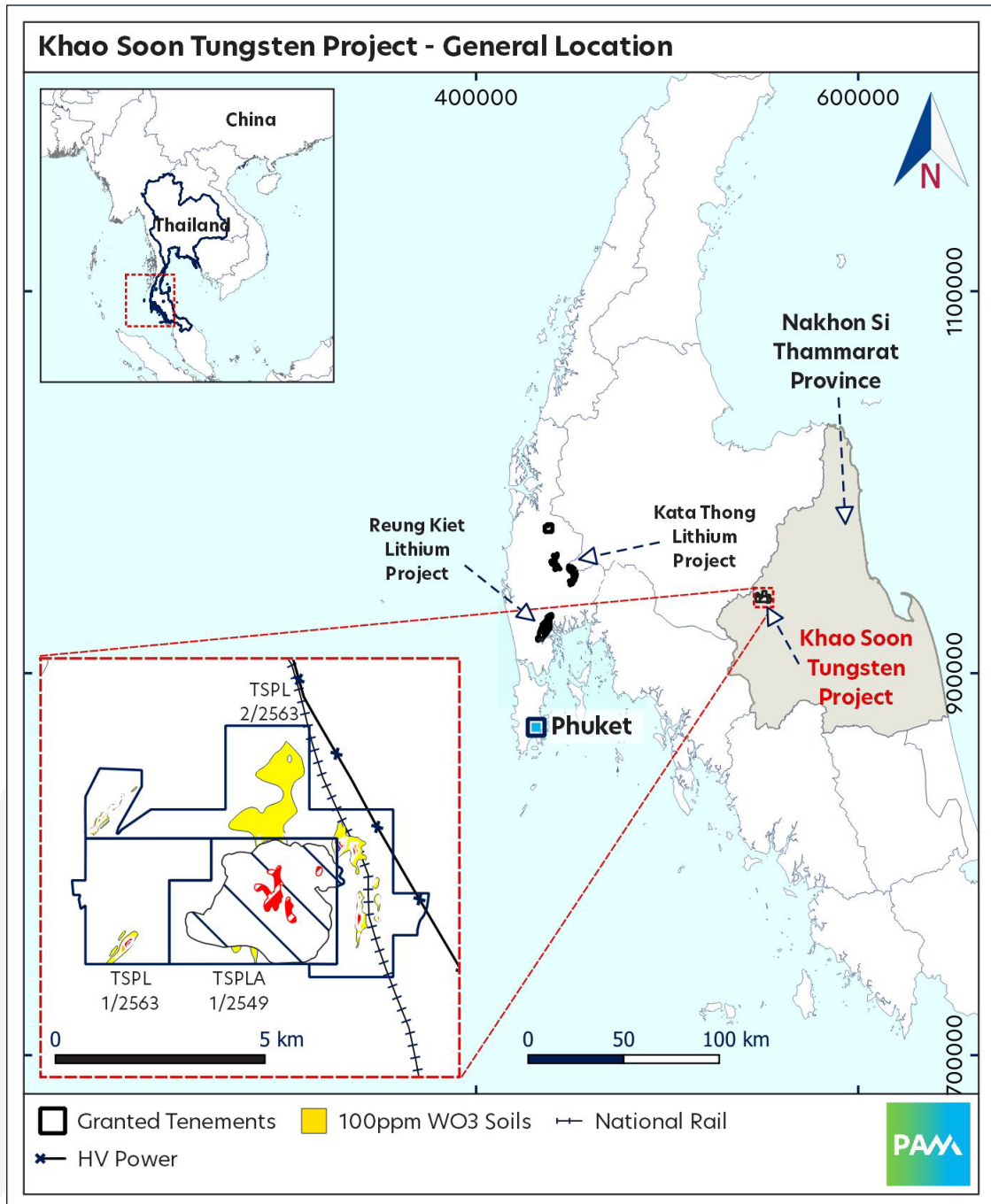
The Kata Thong Lithium Project is a geothermal lithium and hard rock lithium-tin project located about 100km north-east of Phuket in the Phang Nga Province in southern Thailand. Pan Asia holds a 100% interest in 5 Special Prospecting Licence Applications (SPLA) covering about 45km².



Regional map identifying the location the Kata Thong Lithium Project

ABOUT THE KHAO SOON TUNGSTEN PROJECT

The Khao Soon Tungsten Project is a wolframite style tungsten project located approximately 600km south of Bangkok in Nakhon Si Thammarat Province, Southern Thailand. PAM holds a 100% interest in 2 contiguous Special Prospecting Licences (SPL) a 1 Special Prospecting Licence Application (SPLA) covering about 33km².



Regional map identifying the location of the Khao Soon Tungsten Project

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.

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 2022

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (12 months) \$US'000
1. Cash flows from operating activities			
1.1 Receipts from customers	-	-	-
1.2 Payments for	-	-	-
(a) exploration & evaluation	-	-	-
(b) development	-	-	-
(c) production	-	-	-
(d) staff costs	(149)	(478)	
(e) administration and corporate costs	(316)	(1,071)	
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)	54	54	
1.9 Net cash from / (used in) operating activities	(411)	(1,495)	
2. Cash flows from investing activities			
2.1 Payments to acquire or for:			
(a) entities	-	-	-
(b) tenements	-	-	-
(c) property, plant and equipment	(33)	(34)	
(d) exploration & evaluation	(739)	(2,340)	
(e) investments	-	-	-
(f) other non-current assets	-	-	-

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (12 months) \$US'000
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	-	-
2.6	Net cash from / (used in) investing activities	(772)	(2,374)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
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	-	-
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	Other (provide details if material)	(3)	(23)
3.10	Net cash from / (used in) financing activities	(3)	(23)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,181	5,275
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(411)	(1,495)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(772)	(2,374)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(3)	(23)

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

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (12 months) \$US'000
4.5	Effect of movement in exchange rates on cash held	45	(343)
4.6	Cash and cash equivalents at end of period	1,040	1,040

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 \$US'000	Previous quarter \$US'000
5.1	Bank balances	1,040	2,181
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (Short term bonds)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,040	2,181

6.	Payments to related parties of the entity and their associates	Current quarter \$US'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	112
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
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.		

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

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	Total financing facilities	-	-
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.		

8.	Estimated cash available for future operating activities	\$US'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(411)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(739)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,150)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,040
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	1,040
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.90
<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: Yes		
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, subsequent to the quarter end, the company has raised further capital of A\$ 4.5 million (equivalent to US\$3.2 million) as announced on ASX on 31 January 2023.		

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, see response at 8.8.2

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 2023

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.