



ASX Announcement | 08 January 2024

General Project Update Tama Atacama and RK Lithium Projects

- Tama Atacama Lithium Project - Chile
 - PAM entered into binding Option Agreements to Purchase 100% of the ~1,200km² Tama Atacama Lithium Brine Project.
 - Discussions with geophysical service providers have begun with indications that equipment will be available in late January, early February.
 - Discussions with drilling contractors have begun, initial indications of equipment availability are for late February, early March.
 - Preliminary discussions with Government to take place in February.
 - As previously disclosed, discussions with potential strategic partners are underway.
- RK Lithium Project - Thailand
 - Drilling is ongoing with a results update expected this week.
 - Thailand's Ministry of Industry to speed up mining license approvals in line with its policy to develop a comprehensive EV supply chain.
 - Discussions continue with one of Thailand's largest cement manufacturers on the use of concentrate and LCE processing residues in cement manufacturing.
 - Discussions to take place with a leading low cost Chinese lepidolite processor on processing technology, meetings scheduled for late January.

Pan Asia Metals' Managing Director, Paul Lock, said: *"PAM is making rapid progress in Chile now that binding option agreements have been executed, as well as good progress in Thailand. In Chile we have started negotiations with service providers and we expect to begin drilling in late February or early March. Initial meetings with Government will be held in February. Meanwhile, in Thailand we are progressing our MOU with IRPC and we will be having follow-on discussions with one of China's larger and lowest cost lepidolite processors. PAM is also collaborating with one of Thailand's largest cement producers on use of concentrate and LCE processing residues in cement manufacturing, testwork is underway. While we see the RK Lithium Project potentially getting PAM to LCE production sooner, we see the Tama Atacama Lithium Project positioning PAM for larger volume and longer term LCE production, and naturally we see Chilean LCE production as very low cost. Tama Atacama is one of the most strategically positioned lithium brine projects in South America and the surface lithium assay grades are some of the highest in the global lithium brine peer group. Like the RK Lithium Project, we are aiming for strategic positioning and low cost production. Tama Atacama is attracting interest and given that Chile has a Free Trade Agreement with the US, it is IRA compliant, hence we are seeing interest from both Asian and North American EV and LIB OEMs."*

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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 a general project update for its Tama Atacama Lithium Project in Chile and RK Lithium Project in Thailand.

Tama Atacama Lithium Project - Chile

On the 2nd of January, 2024, PAM entered into three binding Option Agreements to Purchase 100% of the Dolores North, Dolores South, Pozon and Pink project areas which form the Tama Atacama Lithium Brine Project, as well as the northern half of the Ramatidas project area. See PAM ASX announcements "*Tama Atacama Lithium Option Agreements Signed*" and "*Tama Atacama Lithium Presentation*" dated 2nd and 3rd January, 2023.

Tama Atacama is a Tier 1 lithium brine exploration project located in a Tier 1 mining jurisdiction, in the truest sense of the term 'Tier 1'. The project sits within the 12,500km² Pampa del Tamarugal Basin at an altitude of 800-1100m and about 40-60km from the coast and 75km from the port city of Iquique. It is one of the largest lithium brine projects in South America, with ~120,000ha (~1,200km²) under granted exploration licenses or exploration license applications - over which PAM has secured priority as regards to the mineral rights. The project spans three salars and within this area are extensive lithium surface anomalies with assays up to 2,200ppm Li and averaging 700ppm Li (56/177 assays, 270ppm cutoff). The project is well-supported with all necessary transport and energy infrastructure, and is 75km from Port of Patillos, Chile's largest salt export terminal, providing PAM a potential solution for waste salt, and several pipelines pump sea water through PAM's project areas, providing a potential solution to achieving water balance.

Since announcing the Option Agreements, PAM has had preliminary discussions with geophysics and drilling service providers, with further discussions to take place this week with the intention of locking in equipment for initial geophysics and drilling programs. These service providers have intimated that a geophysics program can take place as early as late January or early February, and that a drilling program could begin as early as late February or early March.

PAM will also have initial discussions with relevant Chilean Government bodies in February.

RK Lithium Project - Thailand

PAM has been conducting diamond core drilling at the BT Lithium Prospect (BT) since March 2023 and expects to provide a comprehensive drilling update this week.

Last week, Thailand's Minister Pimphattra Wichaikul, Ministry of Industry (MOI), said that the Department of Primary Industries and Mines (DPIM) had been tasked with speeding up the exploration of potential lithium resources in Thailand in a bid to "*... build stability and prepare Thailand for becoming an EV production base ...*" which is "*... in line with the Industry Ministry's policy to develop a comprehensive EV supply chain.*" This is positive for PAM, its MOU with IRPC, and PAM's aspirations to mine lithium and produce LCE in Thailand. Further, DPIM's Deputy Director-General Aditad Vasinonta, showed support for PAM's projects, stating "*... Reung Kiet and Bang I Tum – in Phang Nga province's Takua Thung district, had the potential for lithium mining ...*" and "*If Thailand has sufficient lithium resource, it would attract investors to set up their battery plants, as well as positive sentiment about the country's EV industry and supply chain.*"¹

¹ "Thailand accelerates lithium exploration to become EV production hub", *The Nation*, 3 January, 2024. Available at: <https://www.nationthailand.com/thailand/economy/40034371> (Accessed 7 January, 2024).



PAM is progressing its MOU with IRPC for a definitive agreement to conduct lithium mining and LCE processing activities in Thailand. See PAM ASX announcement “*Pan Asia Metals and IRPC sign MOU*” dated 31st July, 2023. IRPC (SET: IRPC, MCap ~US\$1.2B) is 45% held by PTT (SET: PTT, MCap ~US\$30B), which is in-turn 51% held by the Thai Government. PTT has joint ventures with CATL, Gotion and Foxconn, the latter an EV joint venture which makes the Neta EV under a licensing deal with Chinese EV manufacturer Hozon Auto. PTT and Gotion recently started manufacturing lithium-ion batteries, the 2GWh battery plant was built in less than 12 months and has a target capacity of 8GWh.

As part of the above MOU process, PAM is scheduled to hold follow-on meetings with one of China’s largest lepidolite mining and processing companies with the aim of collaborating on processing technologies. These meetings are scheduled for late January.

Discussions with one of Thailand’s largest cement manufacturers for the use of concentrate and LCE processing residues in cement manufacturing are also progressing well, see PAM ASX announcement “*RK Lithium Project - Waste to By-product Testwork*” dated 13th December, 2023.

The Company is progressing both its Thai and Chilean lithium initiatives. PAM has secured two strategically significant lithium projects and looks forward to keeping Shareholders and the market updated on its progress.

Ends

Authorised by:

Board of Directors



ABOUT PAN ASIA METALS LIMITED (ASX:PAM)

Pan Asia Metals Limited is the only publicly traded battery materials company with lithium projects in South-East Asia and South America, and with agreements with key battery and chemical producers in the Asian region to produce advanced battery chemicals.

PAM's Asian assets are strategically located in Thailand – the largest vehicle producer in the region. With Asia accounting for more than half of the global annual vehicle production, PAM is uniquely positioned to capitalize on the soaring demand for battery minerals in the region. PAM's South American assets are strategically located in the Atacama region of Chile, it is one of South America's largest and most strategically positioned lithium brine projects, situated at an altitude of 800-1100m with all necessary transport and energy infrastructure and only 75km from Iquique, a well-equipped coastal city with a population of 200,000, a deep water bulk and container port, and regular flights to Santiago.

PAM's dedication to producing innovative, high-value products with a minimal carbon footprint makes us an ideal partner for meeting our needs in both battery chemicals and sustainable energy. PAM is also a respected local company, with a strategy focused on developing an integrated supply chain to cost-effectively deliver relevant and in-demand products to the Li-ion battery market.

PAM is rapidly advancing its lithium projects through to feasibility and plans to expand its global lithium resource sustainably through its extensive holdings in Asia and South America.

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

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

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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.

Tama Atacama Lithium Brine Project

The Tama Atacama Lithium Project distinguishes itself as one of South America's largest and most strategically positioned lithium brine projects with ~120,000ha (~1,200km²) of granted exploration licenses or exploration license applications over which PAM has entered into binding Option Agreements to Purchase 100% of the project area. See Figure 1 and PAM ASX announcement “Tama Atacama Lithium Option Agreements Signed” dated 2nd January, 2023.

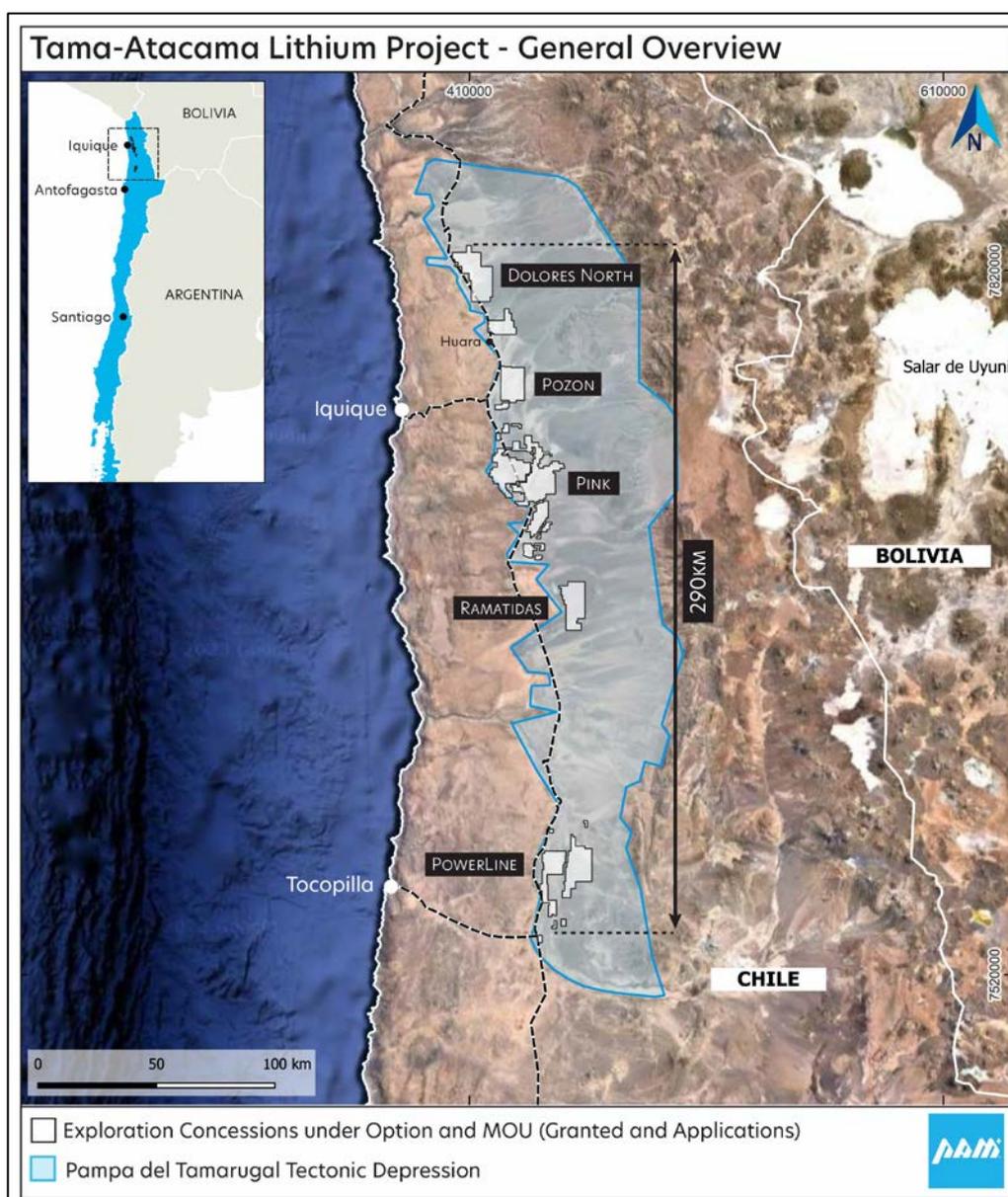


Figure 1. Tama Atacama Lithium Project: General Geography

The project sits within the 12,500km² Pampa del Tamarugal Basin, which is located in the Atacama Desert in northern Chile. Reconnaissance work suggests similar geochemical signatures to Salar de Atacama. Analysis of historical geophysics (seismic) show a very large basin up to 600m deep.

Extensive lithium surface anomalies with lithium results up to 2,200ppm Li, and averaging 700ppm Li (56/177 assays, 270ppm cutoff) extend over ~160km, see Figure 2.

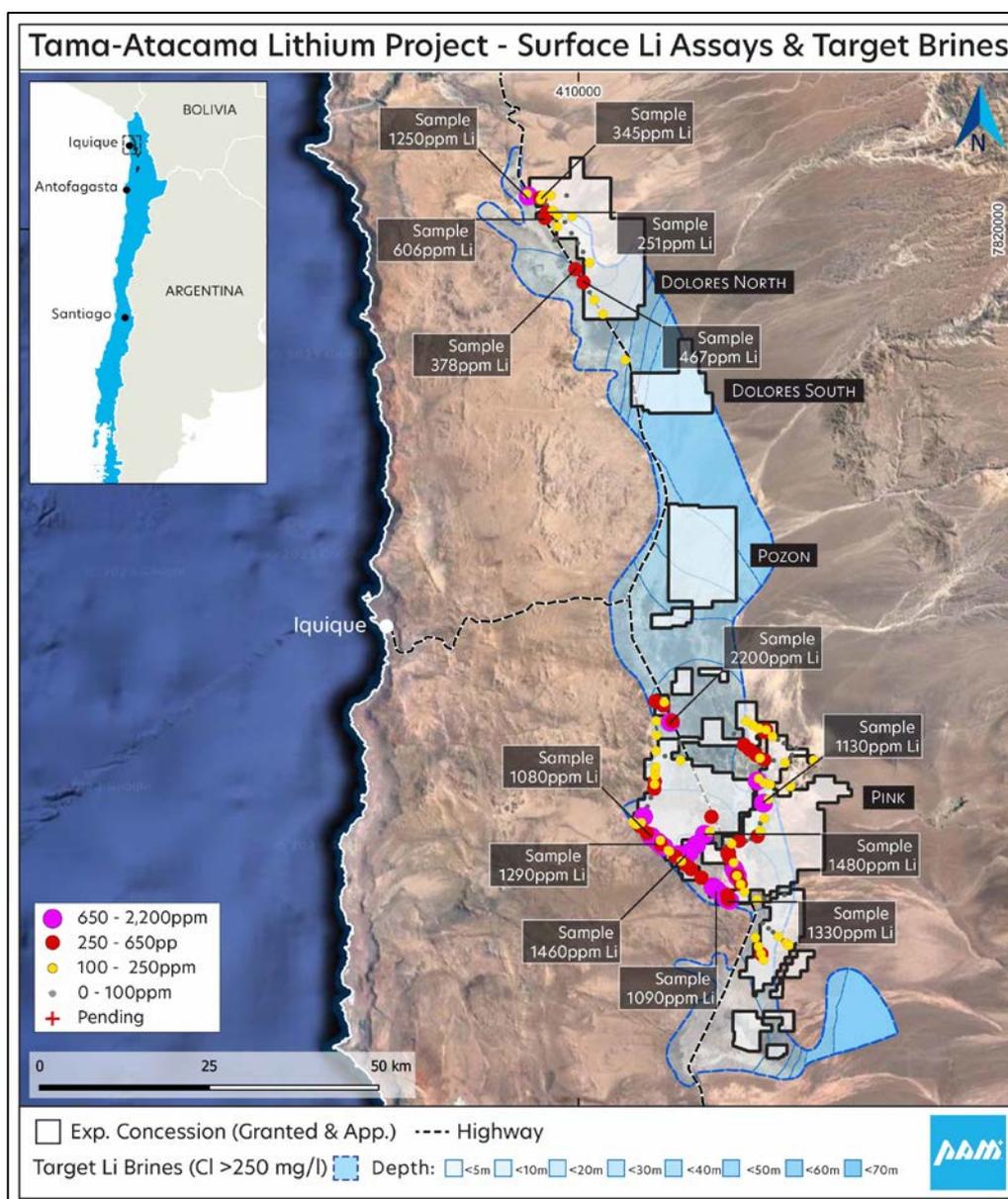
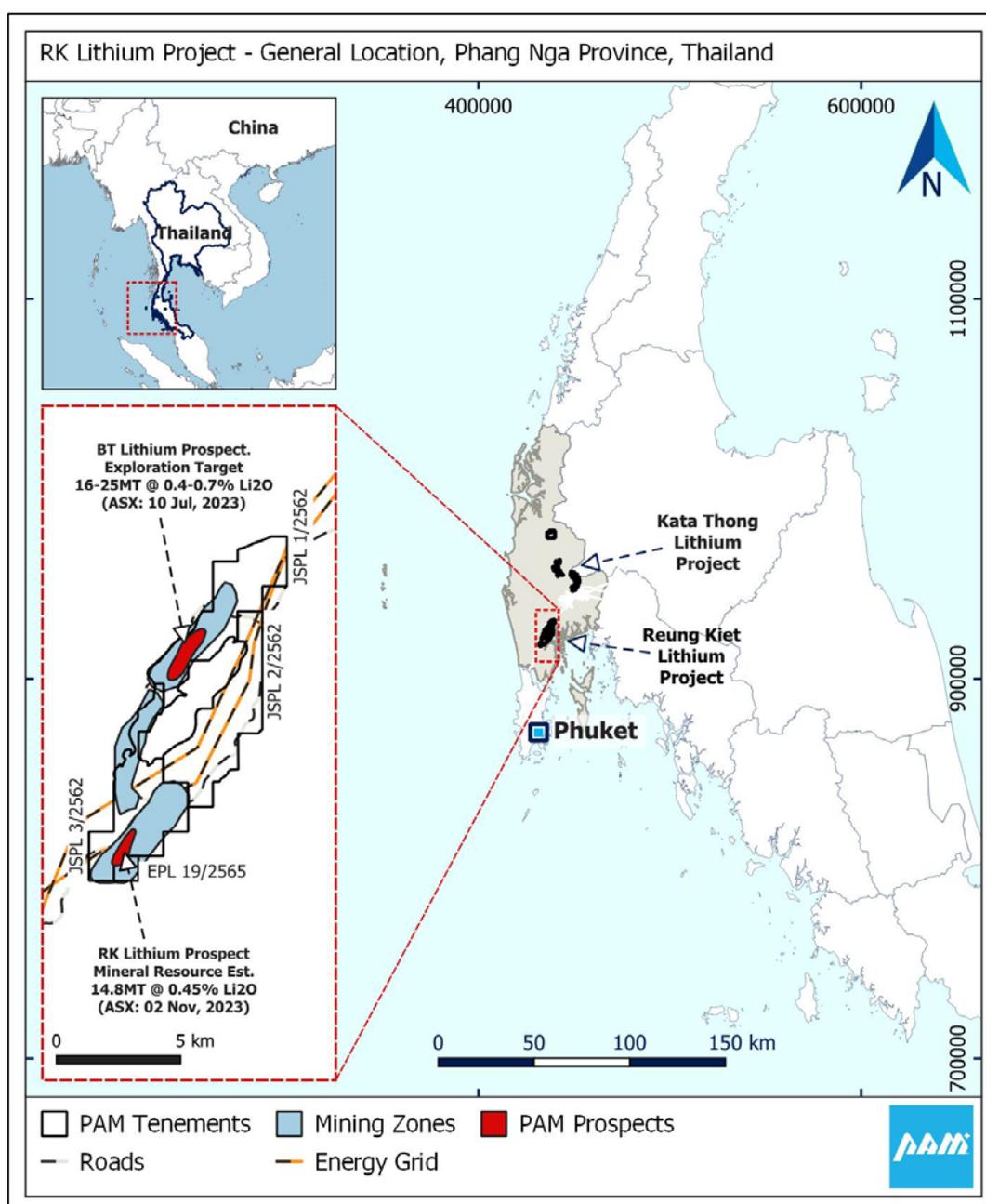


Figure 1. Tama Atacama Lithium Project: General Geography

The Project is situated at an altitude of 800-1100m, it is one of the lowest-lying lithium brine projects globally, and the project is set in a hyper-arid environment with very high evaporation rates, is well-supported with all necessary transport and energy infrastructure, and is situated 40-60km from the coast and only 75km from Iquique, a well-equipped coastal city with a population of 200,000, a deep water bulk and container port, and regular flights to Santiago. Tama Atacama is only 75km from Port of Patillos, Chile's largest salt export terminal, providing PAM a potential solution for waste salt, and several pipelines pump sea water through PAM's project areas, providing a potential solution to achieving water balance.

RK Lithium Project

The RK Lithium Project ('RKLP'), inclusive of the RK Lithium Prospect (RK) and the BT Lithium Prospect (BT), is one of PAM's key assets. RKLP is a hard rock lithium project with lithium hosted in lepidolite/muscovite rich pegmatites chiefly composed of quartz, feldspar, lepidolite and muscovite both lithium bearing micas, with minor cassiterite and tantalite as well as other accessory minerals. Previous open pit mining extracting tin from the weathered pegmatites was conducted into the early 1970's.



Regional map: Location of Phang Nga and the Reung Kiet Lithium Project



RK Lithium Prospect

The RK Lithium Prospect (RK) is located about 8km south of the BT Lithium Prospect (BT) in southern Thailand. At RK PAM has estimated a Mineral Resource Estimate of 14.8 million tonnes at a grade 0.45% Li₂O, containing 164,500 tonnes LCE. See Table 1 and PAM ASX announcement “*Reung Kiet Lithium Project Mineral Resource Update*” dated 2 November, 2023.

Table 1. RK Lithium Prospect – Mineral Resource at a 0.25% Li₂O cut-off (2nd November 2023)

Resource Category	Resource (Mt)	Li ₂ O %	Sn ppm	Ta ₂ O ₅ ppm	Rb %	Cs ppm	Cont. LCE
Measured	7.80	0.44	410	74	0.20	230	85,289
Indicated	3.26	0.49	349	85	0.20	261	39,375
Inferred	3.74	0.41	390	78	0.19	229	38,252
Total	14.80	0.45	391	77	0.20	237	164,500

Note: Contained LCE for individual Resource categories is subject to tonnes and grade rounding.

The RK Prospect hosts a relatively large open cut tin mine that operated into the 1970’s. The old pit is about 500m long and up to 125m wide. Mining of weathered pegmatites was undertaken by open cut hydraulic methods to about 30m below surface and ceased when hard rock was intersected.

Pan Asia has identified a prospective zone over 1km long. Mineralisation remains open along strike to the north and south, with strong mineralisation particularly evident at surface and at depth in the south. PAM retains a 100% interest in RK.

BT Lithium Prospect

The BT Lithium Prospect (BT) is located about 8km north of the RK in southern Thailand. At BT PAM has estimated a drill supported Exploration Target of 16 to 25 million tonnes at a grade ranging between 0.4% to 0.7% Li₂O. See Table 2 and PAM ASX announcement “*Reung Kiet Lithium Project Exploration Target Substantially Increased*” dated 10 July, 2023.

Table 2 – BT Lithium Prospect - Exploration Target, 10th July, 2023

	Million Tonnes	Li ₂ O %	Sn %	Ta ₂ O ₅ (ppm)	Rb %	Cs (ppm)	K (%)
Lower	16.0	0.70	0.16	120	0.30	250	2.80
Upper	25.0	0.40	0.11	95	0.25	200	2.40

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.

The BT hosts a significant historic tin mine that extends for almost 2km along strike. Mining of weathered pegmatites was undertaken by open cut hydraulic methods to about 40m below surface and ceased when hard rock was intersected. PAM retains a 100% interest in BT.