

ASX ANNOUNCEMENT | 10 October 2023

STRATEGIC ACQUISITION EXPANDS FLAGSHIP LITHIUM PROJECT AND EXPOSURE TO PEGMATITE BELT



HIGHLIGHTS

- Askari Metals successfully completes the 100 per cent strategic acquisition of Namibian company Green Lithium Pty Ltd that includes Exclusive Prospecting Licence (EPL) 7626
- EPL 7626 is strategically located along strike of Askari's flagship Uis Lithium Project, covering an area of 68.2km² directly along strike of Andrada Mining's Uis Tin Mine (LSE.ATM)
- The deal increases Askari's exposure across the high-grade Uis pegmatite belt to ~380km² in a region known to contain high-grade lithium, tantalum, tin and rubidium mineralisation
- The Company will soon commence initial field work at EPL 7626 including detailed mapping and sampling ahead of planning targeted drilling campaigns
- Askari will continue to assess the feasibility of other potential strategic acquisitions in the region

Askari Metals Limited (ASX: AS2) ("Askari" or "Company") is pleased to announce the 100 per cent acquisition of Namibian registered company Green Lithium Pty Ltd (Green Lithium), pursuant to a binding Share Sale Agreement.

The acquisition includes Exclusive Prospecting Licence (EPL) 7626 that covers an approximate area of 68 km² in the highly prospective Uis-Cape Cross Pegmatite Belt.

EPL 7626 is strategically located near Askari's flagship Uis Lithium Project and directly along strike of the Uis Tin Mine operated by Andrada Mining Limited, a London Stock Exchange listed company (LSE.ATM).

The acquisition increases Askari's strategic footprint across the highly-prospective Uis pegmatite belt to 380km² within the Erongo Region of west-central Namibia at its flagship Uis Lithium Project, considered highly prospective for Lithium-Tin-Tantalum (Li + Sn + Ta) mineralisation.

Commenting on the completion of the acquisition, Executive Director, Mr Gino D'Anna stated:

"We are delighted to announce the completion of this strategic acquisition that expands our strategic exposure to the Uis-Cape Cross Pegmatite Belt in Namibia."



“Adding EPL 7626 to our portfolio, that we believe has significant exploration potential, will become an integral component to our flagship Uis Lithium Project. This is highlighted by the recent success we reported at EPL 7345 and EPL 8535, as well as its strategic location that neighbours both Andrada Mining’s Uis Tin Mine and Spodumene Hill Discovery.

“This area is a hive of exploration activity with particular focus dedicated on unlocking the regions demonstrated lithium potential. The Company is expecting additional assay results from our previously completed phases of RC drilling at EPL 7345 and EPL 8535 as well as rock sampling results from both licences.

“These assay results are expected to be made available soon and will be released to our shareholders once received, analysed and interpreted. The next three months at the Uis Lithium Project will be very active for Askari as we commence our targeted trenching and channel sampling campaign as well as our large-scale soil geochemical surveys. The outcome once the trenching campaigns have been completed is to provide us with clear drill targets at the Uis Lithium Project, as we prepare to target onsite mobilisation later this year.

“We look forward to updating our shareholders and investors throughout these advanced exploration programs.”

Uis Pegmatite Belt, Namibia

The Uis Lithium Project lies less than 5km from the township of Uis and less than 2.5km from the operating Uis Tin Mine. Swakopmund, the capital city of the Erongo Region and Namibia’s fourth largest settlement, is located approximately 165km due south of the Uis Lithium Project while the Namibian capital city of Windhoek is located approximately 270km south-east of the Uis Lithium Project.

The map below (Figure 1) provides an overview of the location of the Uis Lithium Project relative to the infrastructure servicing the region.

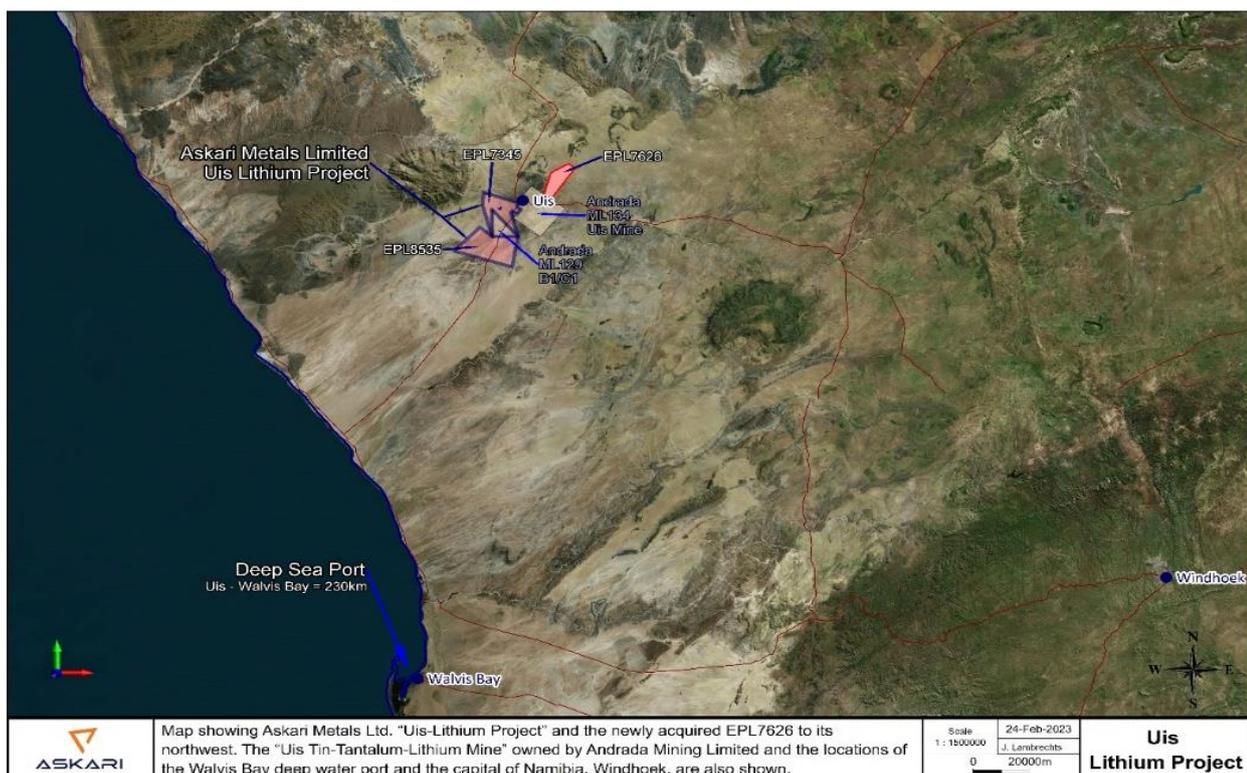


Figure 1: Location map of the Uis Lithium Project and the recently acquired EPL 7626

EPL 7626 lies along strike of the Company's Uis Lithium Project (EPL 7345 and EPL 8535) and Andrada Mining Limited's (LSE: ATM) Uis Tin Mine, which hosts a JORC (2012) Mineral Resource of 81Mt @ 0.73% Li₂O and 0.15% Sn (refer to polaris.brighterir.com/public/andrada_mining/news/rns/story/x4g8q3x).

Pursuant to the terms of the Agreement, the Company has agreed to acquire 100% of the Green Lithium Shares from the shareholders of Green Lithium, a company incorporated under the laws of Namibia, which wholly owns EPL 7626.

Acquisition of EPL 7626

The acquisition of EPL 7626 complements the Company's strategic footprint in the Uis pegmatite belt and allows Askari to develop a multi-stream exploration approach as we aim to develop the Uis Lithium Project into a tier-1 battery metals project.

The strategic location of EPL 7626 relative to the Uis Tin Mine and the B1/C1 Mining Licence, both owned by Andrada Mining, as well as EPL 7345 and EPL 8535, owned by Askari, is shown in Figure 2 (below). The proximity of the Uis Lithium Project (EPL 7345, EPL 8535 and EPL 7626) relative to Andrada Mining's licences, and the infrastructure associated with the mine, is clearly visible and highlights Askari's Uis Lithium Project hosts the same pegmatite geology and mineralisation.

Initial site reconnaissance exploration has demonstrated the prospectivity of the licence area, with a number of mapped pegmatites identified. The Company is now preparing for a project-wide detailed mapping and sampling campaign to commence as soon as practicable.

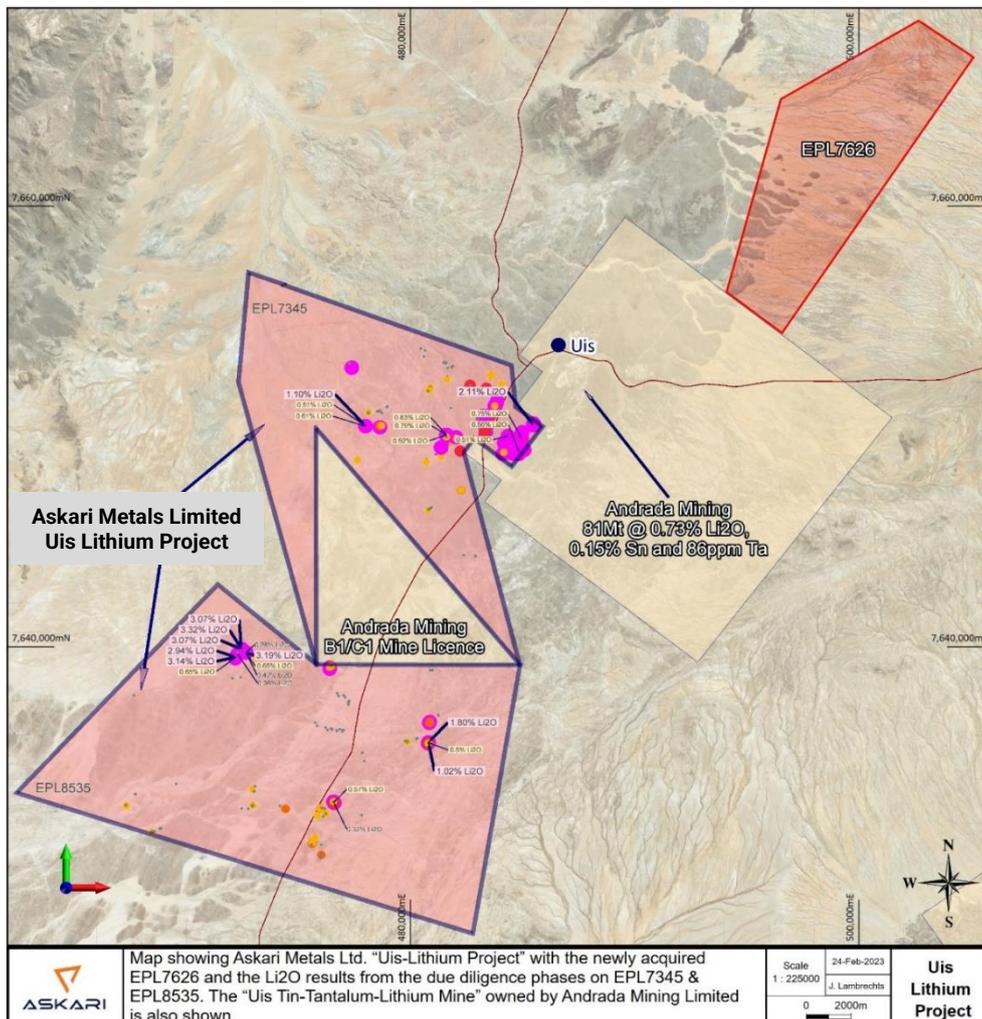


Figure 2: Project level location map of the Uis Lithium Project and the recently acquired EPL 7626 along strike of the Uis Tin Mine owned by Andrada Mining

Geology and Mineralisation

The geological formations in the Erongo Region, particularly the Dâures Constituency, comprise rocks from the Khomas Subgroup, which is part of the Swakop Group within the Damara Sequence. These rocks have experienced intrusion by multiple zones and unzoned pegmatites that are rich in cassiterite, lepidolite, petalite, amblygonite, spodumene, tantalite, columbite, beryl, gem tourmaline, as well as rare occurrences of sulphides, wolframite, scheelite, pollucite, and rare earth elements.

The map below outlines the geology of EPL 7626 together with EPL 7345 and EPL 8535. Also shown is the B1/C1 mining licence and the Uis Tin Mine.

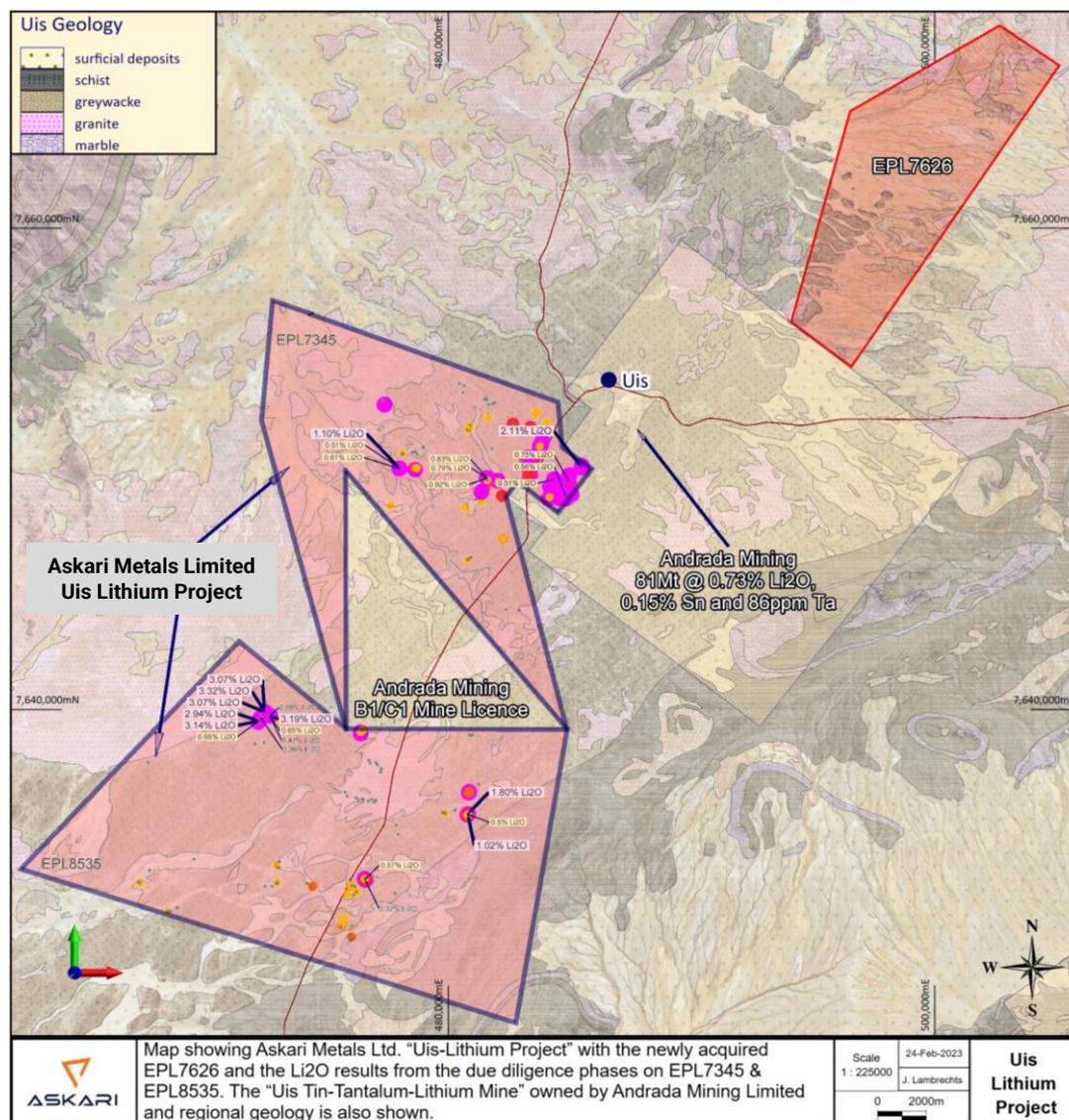


Figure 3: Geology map of the Uis Lithium Project (EPL 7345, EPL 8535 and EPL 7626) owned by Askari Metals Limited. Also shown is the Uis Tin Mine and the B1/C1 mining licence

The Uis and Nainais-Kohero swarm of pegmatites represent the fillings of en-echelon tension fractures that formed as a result of regional shearing.

These pegmatites can be described as pervasively altered or extensively albitised, with only relics of the original potassium feldspars left after their widespread replacement by albite.

They are remarkably similar in composition, except for the varying intensity of pneumatolytic effects and the introduction or concentration of trace elements during the final stages of crystallisation, resulting in complex pegmatite mineralogies.

These pegmatites are found within schistose and quartzose rocks of the Khomas Subgroup, a division of the Swakop Group, which have been subjected to intense tectonic deformation and regional metamorphism.

Detailed geological mapping suggests the Uis swarm of pegmatites consist of over 200 individual pegmatite bodies. Shearing resulted in spaces being opened within the Khomas Subgroup which were subsequently intruded by pegmatite or quartz veins.

Within the Nainais pegmatites high tin values are found in smaller altered mica-rich pegmatites near the pegmatite edges.

The pegmatite mineralisation composition changes with distance from the granitic contacts with a mineral crystallisation sequence, which indicates garnet and schorl occurring closest to the granitic contacts, cassiterite and lithium-tourmaline occurring further away therefrom, and the tantalite being associated with lithium-tourmaline and quartz blows.

Future Work and Planned Exploration

Multiple concurrent work streams are planned for Uis, strategically focused on the identified anomalous corridor and is set to include:

- A large-scale trenching programme designed to systematically test the most prospective pegmatites which have yielded the best results to date
- A regional stream sediment geochemical sampling programme
- A regional soil geochemical sampling programme
- Hyperspectral remote sensing analysis

Data from historic exploration programs on EPL's 7345 and 8535 is currently being sourced from the MME (Namibian Ministry of Mines and Energy) in Windhoek. Information received to date has highlighted extensive historic exploration for tin and associated minerals. The Company will continue to review the historic information and digitise any drill holes, sampling campaigns and mapping programs with the intention of integrating the historical information into the Company's exploration database.

The historic information will also be used to generate additional exploration targets for the upcoming trenching program.

Strategic Acquisitions

Askari continues to technically assess and evaluate other complimentary acquisitions as it looks to build on its strong landholding along the prospective Cape Cross – Uis pegmatite belt.

Completion

The Company has issued the shareholders of Green Lithium (Pty) Ltd a total of 500,000 ordinary shares in the capital of Askari, which are subject to escrow restriction periods, set out as (i) 70% of the consideration shares are escrowed for 12 months from the date of issue, (ii) 15% of the consideration



shares are escrowed for 6 months from the date of issue and (iii) 15% of the consideration shares are escrowed for 3 months from the date of issue.

An Appendix 2A and cleansing statement have been lodged independently.

This announcement is authorised for release by the executive board

- ENDS -

FOR FURTHER INFORMATION PLEASE CONTACT

INVESTORS

Gino D'Anna

EXECUTIVE DIRECTOR

M. +61 400 408 878

E. gino@askarimetals.com

Cliff Fitzhenry

CHIEF PROJECT AND EXPLORATION MANAGER (AFRICA)

M. +27 73 258 9462

E. cliff@askarimetals.com

MEDIA

Luke Derbyshire

MANAGING DIRECTOR

M. +61 488 664 246

E. luke@hellospoke.com.au

ABOUT ASKARI METALS

Askari Metals was incorporated for the primary purpose of acquiring, exploring and developing a portfolio of high-grade battery (Li + Cu) and precious (Au + Ag) metal projects across Namibia, Western Australia, Northern Territory and New South Wales. The Company has assembled an attractive portfolio of lithium, copper, gold and copper-gold exploration/mineral resource development projects in Western Australia, Northern Territory, New South Wales and Namibia.

For more information please visit: www.askarimetals.com



CAUTION REGARDING FORWARD-LOOKING INFORMATION

This document contains forward-looking statements concerning Askari Metals Limited. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on the Company's beliefs, opinions and estimates of Askari Metals Limited as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

COMPETENT PERSONS STATEMENT

The information in this report that relates to Exploration Targets, Exploration Results or Mineral Resources is based on information compiled by Clifford Fitzhenry, a Competent Person who is a Registered Professional Natural Scientist with the South African Council for Natural Scientific Professions (SACNASP) as well as a Member of the Geological Society of South Africa (GSSA) and a Member of the Society of Economic Geologists (SEG).

Mr. Fitzhenry is the Chief Project and Exploration Manager (Africa) for Askari Metals Limited, who has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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. Fitzhenry consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

