

28 July 2021

ASX ANNOUNCEMENT

ASX: ASN, ASNOC

Anson Applies to Drill Two Production Wells

Highlights:

- Anson takes major step towards production at Paradox Brine project with application submitted to Utah Government to drill 2 production wells:
 - Bores located only 180m from Robert's Rupture and in close proximity to the Long Canyon No2 well with assayed grades of 253ppm Li and 3,925ppm Br
- Brine from the production wells will be supplied to the planned Paradox Brine Project bromine/lithium plant
- Sampling and coring the Clastic Horizons to be carried out while drilling is in progress to potentially increase the existing JORC Indicated Resource
- Location of the production wells has also been selected for their close proximity to the existing pipeline corridor used to transport brine to the Li-Br production plant

Anson Resources Limited (ASX: ASN, ASNOC) (Anson or the Company) is pleased to announce that it has submitted an Application Permit to Drill (APD) two production wells covering a total area of 6.56 acres within the Company's Paradox Brine Project in Utah (the Project). The APD has been submitted to the School and Institutional Trust Lands Administration (SITLA) of the Government of Utah and the Department of Gas and Minerals (DOGM).

Significantly, the two production bores (LCW-1 and LCW-2) are located on the "The Little Utah" (see Figure 1), lease which covers 80 acres and was granted to Anson by the Utah State government earlier this year under Other Business Arrangement (OBA) (see ASX announcement 30 March 2021). An OBA allows for special consideration to bring significant projects into production, demonstrating the Government of Utah's support for the development of Paradox. It is expected that Anson's application will be considered by both SITLA and DOGM by the end of Q3 2021, however this timeline may be affected by delays related to the COVID-19 pandemic.

Anson's Executive Chairman and CEO, Bruce Richardson, commented: "Our application to drill two production wells at Paradox represents a major step towards commencing production. These production wells will provide a significant insight into the engineering and logistics of the Paradox operation, with location of the wells carefully considered and nearby to the lithium bromine plant to be built at Blue Hills.

By leveraging the pressure created by Robert's Rupture Anson can transport the brine to a location which has easy access to power, gas and transportation without pumping which has a direct impact upon production costs. In addition, the location of the wells provides access to an existing pipeline corridor where ground disturbance has already occurred. Our application has been carefully considered and designed to ensure minimal ground disturbance in the area in which we operate."

Anson Resources Limited

Level 1, 35 Outram Street, West Perth, WA 6005, Australia

Tel: +61 478 491 355 ABN: 46 136 636 005 www.ansonresources.com

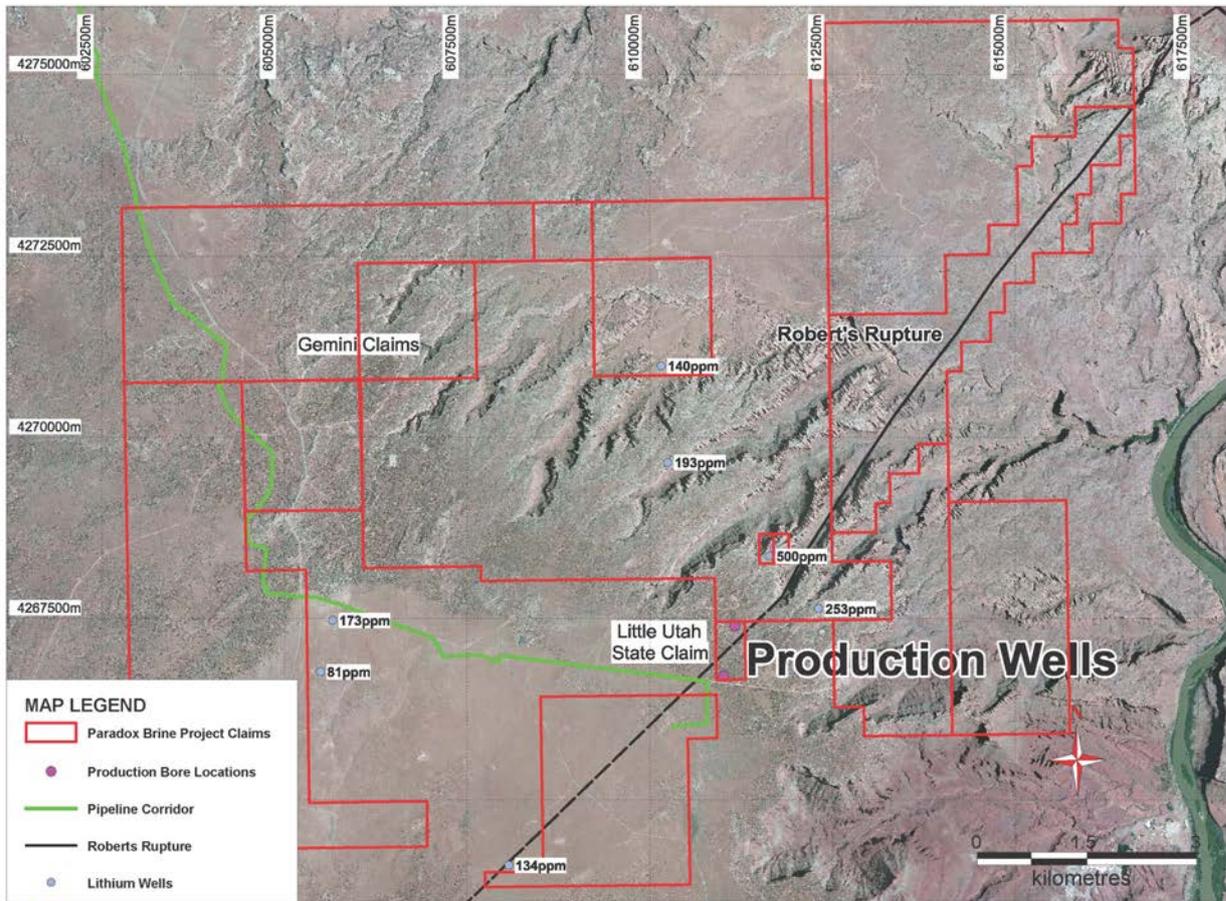


Figure 1: Location of the production bores in relation to the pipeline corridor to be used to transport brine to production site.

Paradox Production Wells Background

The Little Utah Mineral Lease (ML-54099) abuts existing leased area administered by the Federal government, Department of Interior, Bureau of Land Management (BLM) and forms part of the 1,082 unpatented placer claims of the project area. The co-ordinates for the two production drill sites are shown in Table 1 and are located only 180m from Robert’s Rupture (see Figure 1), a geological feature where extensive fracturing has occurred in the sub-terranean rock which has resulted in higher pressure allowing the supersaturated brine to flow to surface under its own pressure (artesian flow). In addition, the sites are located approximately 1.2km from the Long Canyon No 2 well, which has the highest lithium values of up to 253ppm sampled by Anson to date (see ASX announcements 1 April 2019, and 11 May 2020).

Proposed Hole	Northing (m)	Easting (m)	Elevation (ft)	Azim (°)	Dip (°)	Drill Depth (ft)	Vertical Depth (ft)
LCW-1	4267400.1	611160.7	6,032	360		6,600	6,380
LCW-2	4266712.0	611011.0	6,054	0	-90	6,500	6,500

Table 1: Proposed production well locations co-ordinates & depths.

The production wells, while located on the same 80 acres block, are separated by distance to ensure that the flow rates are not affected and to take advantage of well understood geological features. One directional well, LCW-1, will be drilled with a vertical depth of 6,380 feet with an azimuth of 360 degrees to position the bottom of the well towards Robert’s Rupture and the Long Canyon 2 well where porosity and grade are already understood from previously completed flow

and down hole geophysical test work. Historical geophysical logs from the Utah State 16 well, which is 350m to the east of LCW-2, have recorded high porosity values for Clastic Zone 31. LCW-2 will be drilled vertically to a depth of 6,500 feet, see Table 1.

Engineering work has been completed to calculate the flow rates to surface with sufficient pressure to flow the brine from the production well to the planned lithium/bromine plant at Blue Hills. By taking advantage of the abnormally high pressure that results as a result of a geological event that created Robert's Rupture, it is expected that the brine will not need to be pumped from the well or pumped to the Blue Hills bromine lithium plant 30 miles from the point of extraction. This is expected to impact favourably on production costs.

The location of the production wells has also been selected for their close proximity to the existing pipeline corridor, which Anson plans to access to transport the brine to the lithium/bromine plant. The existing pipeline corridor is approximately 200m from the corner of the Little Utah lease which is also 10m from a county road providing easy access to the corridor and well locations, see Figure 2. This pipeline corridor is used to transport gas to a natural gas conversion plant at Blue Hills.

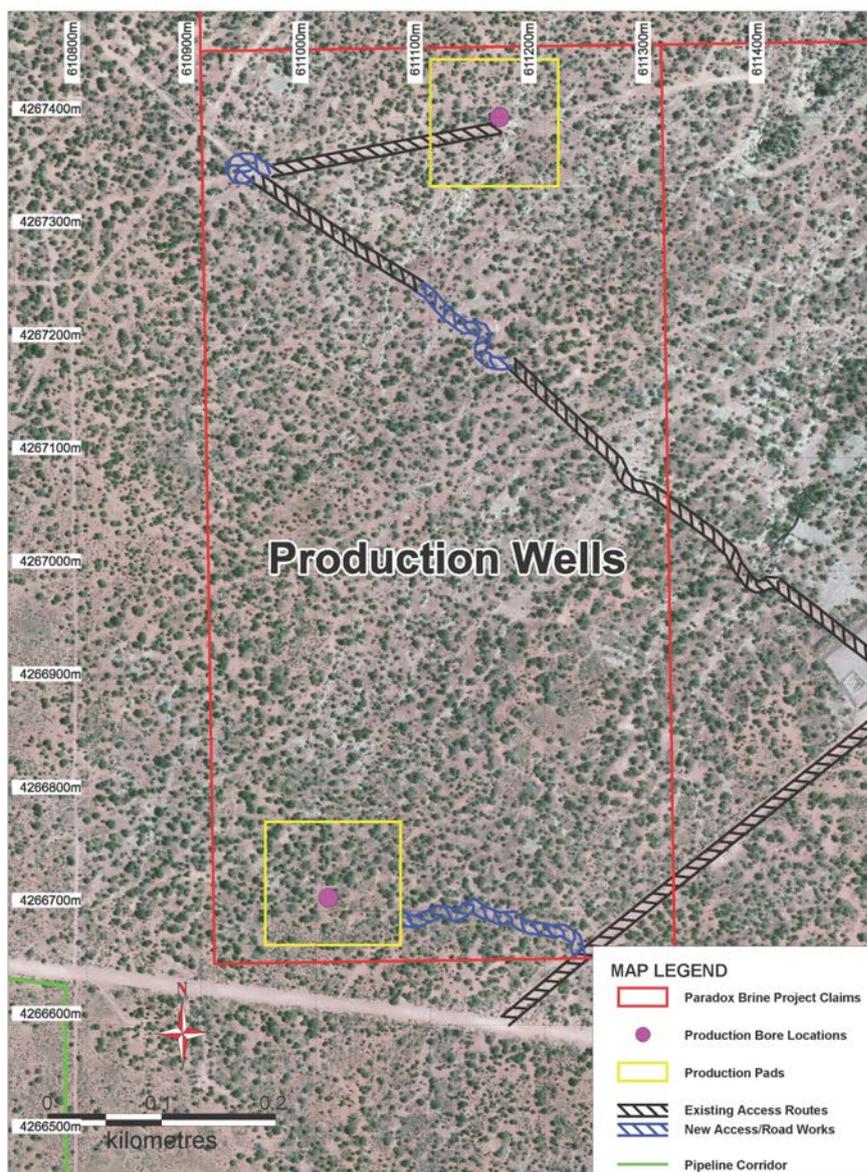


Figure 2: Plan showing the locations of the Production Bores on the Little Utah State Lease.



Archaeological, environmental and site surveys have been conducted over the proposed areas and these reports have been submitted to the BLM as part of the approval process. These surveys have included areas where access roads will need to be established and drilling pads established.

Access roads follow existing tracks established for previous government seismic studies to ensure as little surface disturbance as possible, see Figure 2.

Drilling of the wells will result in a large amount of additional data being collected, eg clastic unit thicknesses and core of the brine bearing horizons, that can be used to upgrade the JORC Resource figures and classifications. Coring of the relevant clastic horizons will enable porosity and specific yield values to be determined, and along with assaying and flow testing of the brines would increase the area of influence (AOI) surrounding the re-entered wells. Information on all the Clastic Zone horizons intercepted can be collected and reviewed for future use, whether it be for extra brine supply or possible use for brine disposal.

This announcement has been authorised for release by the Executive Chairman and CEO.

ENDS

For further information please contact:

Bruce Richardson

Executive Chairman and CEO

E: info@ansonresources.com

www.ansonresources.com

Ph: +61 478 491 355

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Competent Person's Statement: The information in this Announcement that relates to exploration results and geology is based on information compiled and/or reviewed by Mr Greg Knox, a member in good standing of the Australasian Institute of Mining and Metallurgy. Mr Knox is a geologist who has sufficient experience which is relevant to the style of mineralisation 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 and consents to the inclusion in this report of the matters based on information in the form and context in which they appear. Mr Knox has reviewed and validated the metallurgical data and consents to the inclusion in this Announcement of this information in the form and context in which it appears. Mr Knox is a director of Anson and a consultant to Anson.