

17 May 2024

15 HIGH PRIORITY REE AND LITHIUM CONCESSIONS GRANTED IN BRAZIL

- Concessions covering 19,515.86 Has have been granted for three years in the Minas Gerais state.
- The three key areas are a high priority target for rare earth elements (REE) in ionic clays or pegmatites (lithium).
- Rockchip, soils and stream sampling program has commenced.

Patagonia Lithium Ltd (ASX:PL3, Patagonia or **Company)** is pleased to advise that it has been granted exploration rights for three years on 15 of the 25 applications it made bringing the total to 18 granted concessions.

Phillip Thomas, Executive Chairman commented "We now have a major component of our exploration concessions granted and the team is already in trucks mapping and sampling along the priority targets from the substantial geophysics we have conducted. This campaign is earmarked to be conducted quickly so we can sure up our drill targets and additionally high intensity sampling."

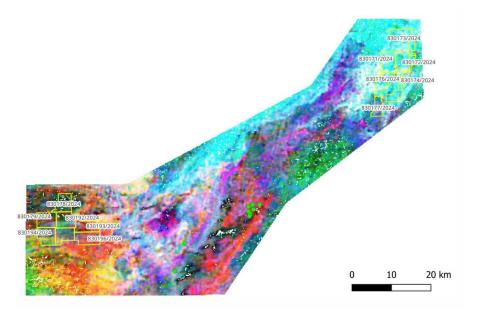


Figure 1. Green dots are known spodumene occurrences in pegmatite swarms 192, 196 have been granted. Radiometric survey showing pegmatites in red.

Capital structure 58.6m - PL3 shares 5.5m - unquoted options 14.6m - PL3O quoted options

Patagonia Lithium Ltd Level 6, 505 Little Collins Street Melbourne VIC 3000 https://patagonialithium.com.au/ Board Phil Thomas - Exec Chair Rick Anthon - NED Sam Qi - NED Jarek Kopias - Co Sec

LCT Pegmatites Ranking

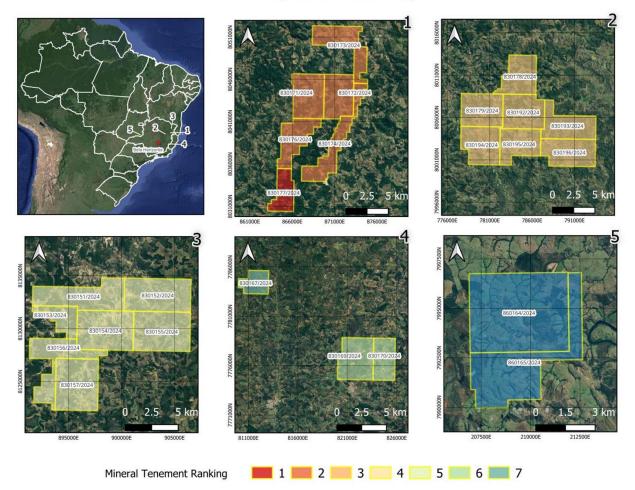


Figure 2. Ranking of the concession packages granted and applied for pegmatites (lithium).

State	Mineral	Ranking	Context
	Tenement	Pegmatites	
Minas Gerais	830.177/2024	1	Partially embedded within the context of lithium mineralisation (metasediments), the targetting results exhibiting the highest simalrity values align with the NE-SW trend in proximity to the area. The ternary geophysical pattern F Factor, U/Th ratios serve as characteristic indicators for lithium mineralisation.
Minas Gerais	830171-172-173- 176/2024	2	Partially integrated within the context of lithium mineralisation in both metasediments and Leucogranites. It exhibits Potassic alteration enhancement and is proximal to the trend of targetting.

REE Ranking

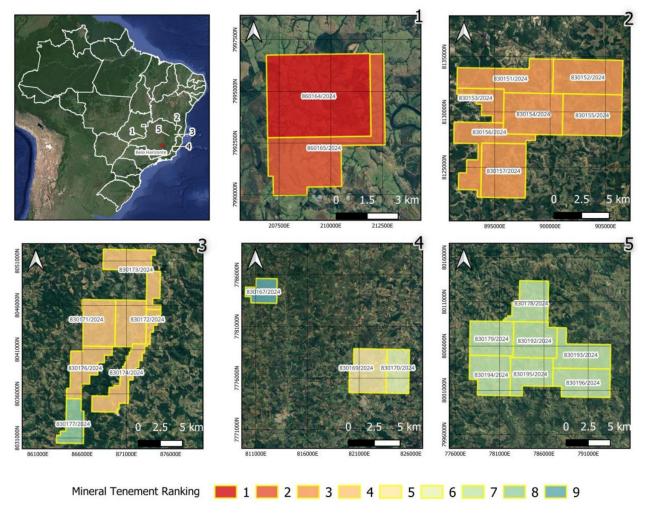


Figure 3. Ranking of the 5 concession packages granted and applied for REE.

Our Rare Earth target concessions are based on the geochemical data available in the research bibliography are: 830167/2024; 830169/2024; 830170/2024; 830153/2024; 830156/2024; 830152/2024; 830155/2024; 830151/2024; 830154/2024; 830157/2024.

Authorised for release by the Board of the Company.

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Concessions granted

830.151/2024 to 830.153/2024 830.155/2024 to 830.157/2024 830.167/2024, 830.169/2024, 830.171/2024, 830.172/2024, 830.176/2024 830.192/2024, 830.193/2024 830.195/2024, 830.196/2024

Competent Person Statement

The information in this announcement that relates to exploration results is based on, and fairly represents information compiled by Phillip Thomas, MAIG FAusIMM, Technical Adviser of Patagonia Lithium Ltd and is Executive Chairman, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Thomas has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he has undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Thomas consents to the inclusion in this announcement of the matters based on this information in the form and context in which it appears.

About Patagonia Lithium Ltd

Patagonia Lithium has two major lithium brine projects – Formentera/Cilon in Salar de Jama, Jujuy province and Tomas III at Incahuasi Salar in Salta Province of northern Argentina in the declared lithium triangle. It has also applied **for 41,746 Has** of concessions exploring for **ionic REE clays**, **Niobium**, **and lithium in pegmatites**. Four exploration concession packages have been applied for. 830178/2024 has been granted.

Since listing on 31 March 2023, recharge water analysis, surface sampling and MT geophysics have been completed in preparation of an upcoming drill program at Formentera, where the first well JAM 24-01 has been completed with MT Geophysics at Tomas III showing low resistivity and very prospective. In July 2023, a 13 hole drill program was submitted for approval which was granted in January 2024. Samples as **high as 1,100ppm lithium** (2 June 2023 announcement) were recorded at Formentera and resistivity values as low as 0.3Ω .m were recorded during the MT Geophysics survey at Formentera making the project highly prospective. The Company confirms it is not aware of any new information or data that materially affects the information in this announcement.

JORC Code, 2012 Edition – Table 1 report Patagonia Lithium Ltd ASX:PL3 Minas Gerais State applications

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	 Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) 	 There was no sampling in the granted concessions in Minas Gerais state. Publicly available radiometric data was acquired from the bureau of mineral resources in the state of Minas Gerais, Brazil. The geophysics that measure Uranium, Thorium and Potassium were derived from satellite data accessing the Data from CPPLL, Codemge/Codemig, Metago, and others projects publicly available. Acquisition and processing of LANDSAT, Sentinel 1, ASTER scenes, pre-processing, spectral analysis and evaluation/prioritization of results and the evaluation and processing of geophysical data was undertaken. Public data from technical papers, the Catalao REE deposit and references on field sampling, drilling, geological lithologies and distances from source were collated.

Criteria	JORC Code explanation	Commentary
Drilling techniques	 may warrant disclosure of detailed information. Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	No drilling was undertaken.
Drill sample recovery	 Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	 No sampling was undertaken. The geophysics data analysed that included radiometric, magnetic and gravity data is publicly available.
Logging	 Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	 No logging was undertaken but the Artificial Intelligence model did reference sampling ratios of elements and distances from deposits of occurrences of rare earths. See sample of table below for REE. Araxa is a closeby deposit. <u>Croattle Total Rev 1 vi </u>

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	 If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all subsampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	Not applicable as no sampling undertaken.
Quality of assay data and laboratory tests		 Raw data from the magnetic surveys was reprocessed into 1D inversions.
Verification of sampling and assaying	 The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage 	Not applicable as no sampling undertaken.

Criteria	JORC Code explanation	Commentary
Location of data points	 (physical and electronic) protocols. Discuss any adjustment to assay data. Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	 Accuracy of the data is between 50-150m with data obtained at 400-600m intervals. Gravity data is more unreliable and thus was given a lower ranking.
Data spacing and distribution	 Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	 400-600m spacing depending on the satellite data used.
Orientation of data in relation to geological structure		Orientation was perpendicular to earth surface
Sample security	• The measures taken to ensure sample security.	Not applicable as no sampling undertaken
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	Not applicable as no sampling undertaken

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	 Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	 Mining concessions granted include 830.151/2024 to 830.153/2024, 830.155/2024 to 830.157/2024, 830.167/2024, 830.169/2024, 830.171/2024, 830.172/2024, 830.176/2024, 830.192/2024, 830.193/2024, 830.195/2024, 830.196/2024 830.164/2024 and 830165/2024 in the state of Goais, Brazil – the concessions granted are 100% owned by Patagonia Lithium subsidiary PL3 Mineracao Brazil Ltda. The licence is for a 3 year period unless it is renewed for a further period. It has been referenced for lithium exploration.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	 No exploration has been undertaken on this concession application. This is a private operation and information is not readily available on drill core data.
Geology	Deposit type, geological setting and style of mineralisation.	 The REE first target zone, of greatest importance, is the metasomatic zone. The second, an anomaly of Thorium and Uranium located within a structure aligned to the 125-degree Azimuth, is characterized by a topographic low that may be associated with the accumulation of radioactive minerals (possibly Monazites?) and potentially, Rare Earth Elements. The third zone, the second anomaly situated northwest of the area, also enriched in Uranium and Thorium, is located at the summit of a topographic elevation. This anomaly may represent an igneous body with chemical characteristics similar to carbonatite, albeit smaller, not identified in the MVI magnetic geophysics data. The Catalão I alkaline–carbonatite–phoscorite complex (ferro niobium mine adjacent) contains both fresh rock and residual (weathering-related) niobium mineralization. The fresh rock niobium deposit consists of two plug-shaped orebodies named Mine II and East Area, respectively emplaced

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		 in carbonatite and phlogopitite. Together, these orebodies contain 29 Mt at 1.22 wt.% Nb2O5 (measured and indicated). In closer detail, the orebodies consist of dyke swarms of pyrochlore-bearing, olivine-free phoscorite-series rocks (nelsonite) that can be either apatite-rich (P2 unit) or magnetite-rich (P3 unit). Dolomite carbonatite (DC) is intimately related with nelsonite. Natropyrochlore and calciopyrochlore are the most abundant niobium phases in the fresh rock deposit. Pyrochlore supergroup chemistry shows a compositional trend from Ca–Na dominant pyrochlores toward Ba-enriched kenopyrochlore in fresh rock and the dominance of Ba-rich kenopyrochlore in the residual deposit. Carbonates associated with Ba-, Sr-enriched pyrochlore show higher õ180SMOW than expected for carbonates crystallizing from mantle-derived magmas. We interpret both the õ180SMOW and pyrochlore chemistry variations from the original composition as evidence of interaction with low-temperature fluids which, albeit not responsible for the mineralization, modified its magmatic isotopic features. The origin of the Catalão I niobium deposit is related to carbonatite magmatism but the process that generated such niobium-rich rocks is still being determined and might be related to crystal accumulation and/or emplacement of a phosphate-iron-oxide magma. Lithium The Araquaí Orogen, as one of the Neoproterozoic orogenic systems of Brazil (Pedrosa Soares et al., 2001), occupies the area between the São Francisco Craton and the Brazilian eastern continental margin. Among the lithostratigraphic units that take part in it are the Salinas, São Domingos, Chapada Acauã, and Capelinha formations. The Brazilian pegmatitic provinces were defined by Paiva (1946), based on the

Criteria	JORC Code explanation	Commentary
		geographic distribution of these rock bodies across the national territory. The Eastern Pegmatitic Province encompasses the states of Bahia, Minas Gerais, Espírito Santo, and Rio de Janeiro, over an area of approximately 150,000 km ² . However, more than 90% of this area is in the eastern part of Minas Gerais state, specifically within the geotectonic unit called the Araçuai Orogen (Figure 3-1). Granitic rocks, ranging in age from the late Neoproterozoic to the Cambrian-Ordovician, including pegmatites, cover around 1/3 of this region (Pedrosa-Soares et al., 2009). The pegmatitic bodies in this large region are mainly related to the granitic magmatism that developed during the Brasiliano Event, between 630 Ma and 490 Ma, along the Araçuai Orogen (Dardenne & Schobbenhaus, 2003; Pedrosa-Soares et al., 2009). They can be of two types: anatectic (directly formed from the partial melting of regional rocks) or residual (silicate melts resulting from the fractional crystallization of the parent granites) (Correia Neves et al., 1984; Pedrosa-Soares et al., 2009). Considering field relationships, geochemical and petrological attributes, as well as U-Pb geochronological data on zircons, the granitic rocks of the Araçuaí orogen were grouped into five different supersuites, designated as G1, G2, G3, G4, and G5 (Pedrosa Soares et al., 2001, 2008; in Pedrosa-Soares et al., 2009). Regarding the stages of development of the Araçuaí Orogen, supersuite G1 is pre- collisional (530-585Ma), G2 is syn-collisional (585-560Ma), G3 is late to post collisional (545-520Ma), and G4 and G5 are post-collisional (535-490Ma) (Pedrosa-Soares et al., 2009, 2011). Among these five characteristic granitic suites, the main mineralized pegmatites of the Eastern Province are mostly derived from the syn-collisional granites of suite G2 and post-collisional granites of suite G4 and G5 (Heilbron et

Criteria	JORC Code explanation	Commentary
		al., 2004). The pegmatites of suite G2 are rich in gemstones and industrial minerals in the Conselheiro Pena region; those of suite G4 exhibit abundance in gemstones, mainly tourmaline and morganite, lithium minerals, rare metal minerals, and minerals destined for ceramic and glass industries; and those of suite G5 are rich in aquamarine and topaz (Heilbron et al., 2004).
Drill hole Information	 A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	• The main geophysical data coming from georeferenced PDFs, highlighted by the correlation between samples is the F parameter, followed by the thorium-uranium ratio. There is a high correlation between Kd potassium factor and Thorium.
Data aggregation methods	 In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	 Not applicable – 1D inversion was used to better define the fenitization in the radiometric and magnetic surveys.
Relationship between mineralisation widths and intercept lengths		Not Applicable as no drilling was undertaken.

Criteria	JORC Code explanation	Commentary
	there should be a clear statement to this effect (eg 'down hole length, true width not known').	
Diagrams	 Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	 Not Applicable as no drilling was undertaken.
Balanced reporting	 Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	 Not Applicable as no drilling was undertaken.
Other substantive exploration data	 Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	 See above for detailed geophysical results - Carbonatites and alkaline-silicate rocks are the most important sources of rare earth elements (REE) and niobium (Nb). Cooling and crystallizing carbonatitic and alkaline melts expel multiple pulses of alkali-rich aqueous fluids which metasomatize the surrounding country rocks, forming fenites during a process called fenitization. We are exploring for these rocks. These alkalis and volatiles are original constituents of the magma that are not recorded in the carbonatite rock, and therefore fenites are a key focus of a carbonatite system and our exploration efforts. RGB 3,2,10 - ratio 4,12 - PCA band 8,3 were used to identify lithium minerals. Sentinel-2 imagery (low resolution – pixel 32m) yielded poor results so we will use Hi Res spectral.
Further work	 The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	• We intend to commence soil sampling and rock chip sampling now that the concessions have been granted but six are still outstanding.