

PAN ASIA METALS

ASX Announcement | July 27, 2022

Bang I Tum Prospect - Exploration Target Reung Kiet Lithium Project, Thailand

Specialty metals explorer and developer Pan Asia Metals Limited (ASX: PAM) ('PAM' or 'the Company') is pleased to report that it has defined an 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 at the Bang I Tum Lithium Prospect located in southern Thailand.

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.

Exploration Target: 8.0 - 14.0Mt @ 0.80% - 0.50% Li₂O (JORC Code 2012)

This Exploration Target lies within the Bang I Tum Lithium Prospect (Bang I Tum or BIT), which is located about 8km north-east of the Reung Kiet Lithium Prospect in southern Thailand. Pan Asia Metals retains a 100% interest in the project via Special Prospecting Licence 1 (JSPL1/2562). Grades have also been estimated for Sn, Ta₂O₅, Rb, Cs and K, see Table 1.

Table 1. 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 Exploration Target is based on the current geological interpretation of the mineralisation geometry, geochemistry and geology. This is provided by surface soil and rock-chip sampling, associated geological observations and the results from 3 (three) diamond drill holes as reported in the Company's ASX announcement dated 29 June, 2021, and titled 'Drilling Update - Reung Kiet Lithium Prospect, Thailand' (see Figures 1 and 2).

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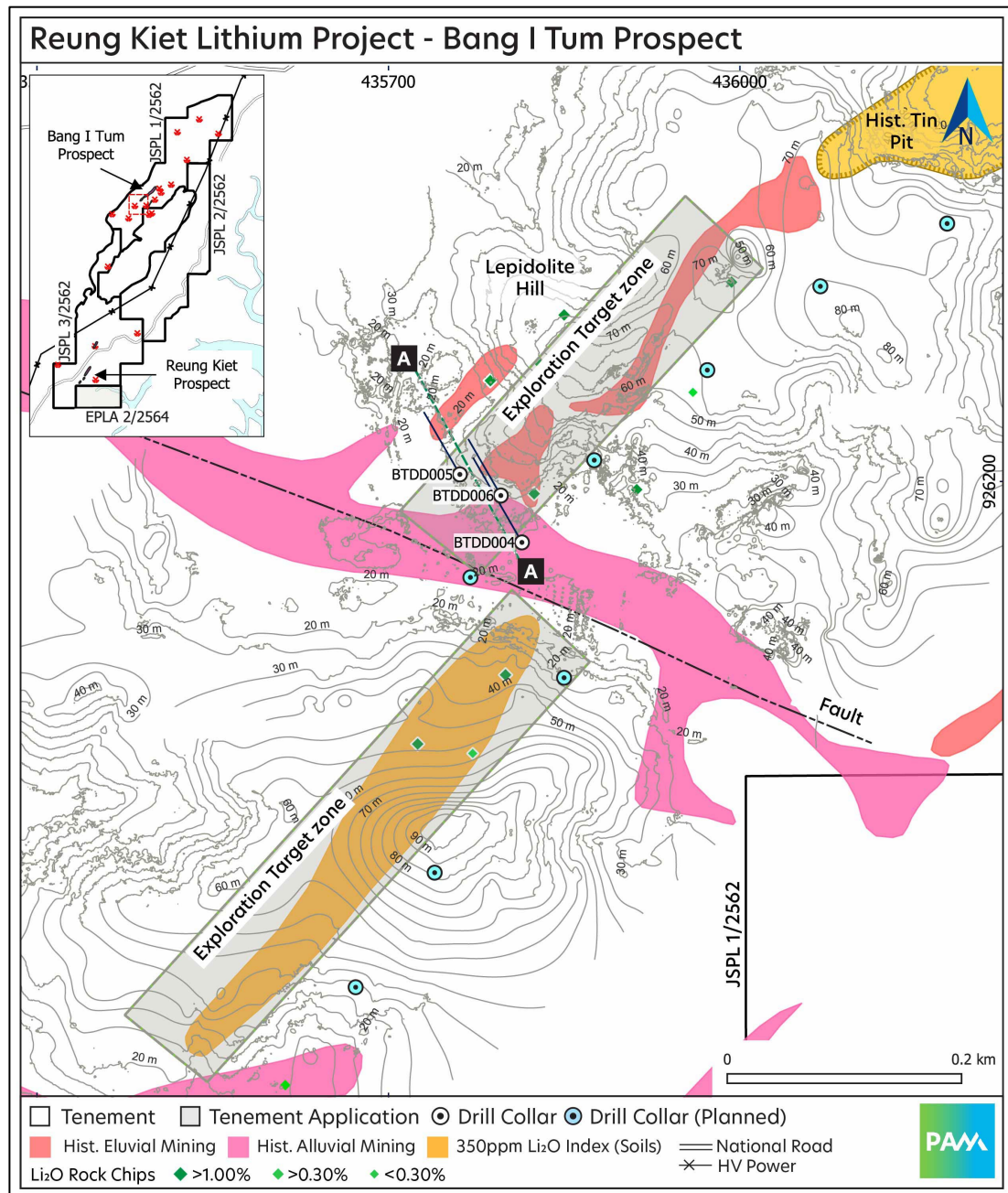


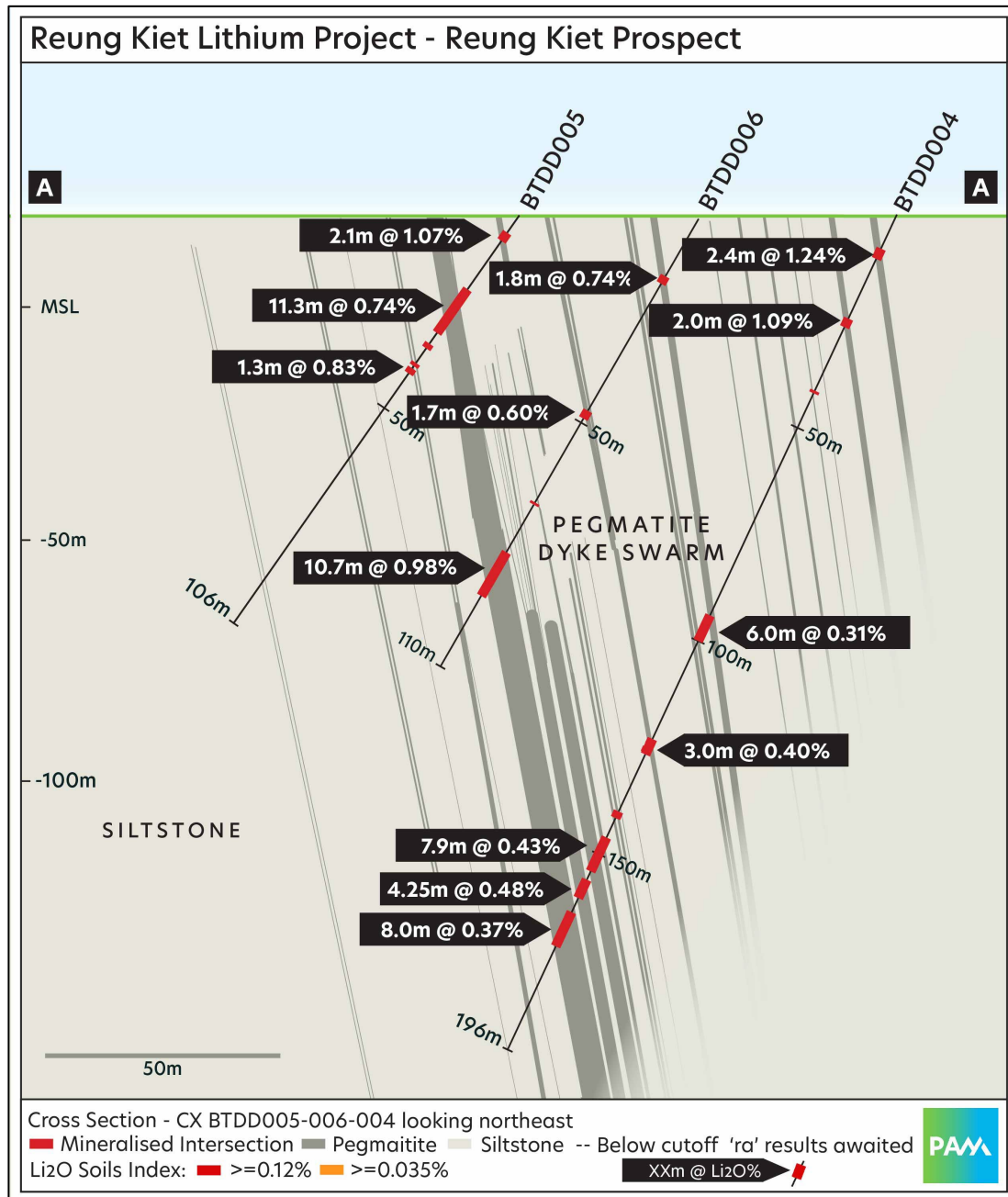
Figure 1 Bang I Tum Lithium Prospect - Exploration Target Zones

The Exploration Target is reported in advance of a drilling program which is expected to commence at Bang I Tum in approximately two (2) months.

The Exploration Target, being conceptual in nature, does not account for potential geological complexity, possible mining methods or metallurgical recovery factors. The Exploration Target was estimated in order to provide an assessment of the potential



scale of the mineralisation intersected in drilling and supported by results and observations along the trend.





The Exploration Target is defined by using:

Polygonal/cross sectional end area extrapolation of the drilling results supported by surface geochemistry and geological observations. From the drill hole results, polygons were constructed using a $>0.1\%$ Li_2O cut-off with average grades for Li_2O , Sn, Ta_2O_5 , Rb, Cs and K then calculated. Average grades were also calculated using a $>0.4\%$ Li_2O cut off. No top cut was applied. The polygons were extended 210m down dip from surface (see Figure 2 above). Volumes of the polygonal blocks were then calculated as polygon area x strike length of 900m being approximately 450m either side of the drill section. Tonnage was estimated using a density of 2.6t/m^3 , and then rounded to the nearest 1 million tonnes. The upper tonnage and grades represent 100% of the polygon tonnage and contained average grades. The lower tonnage estimate represents approximately 55% of the upper tonnage. This was based on the ratio of sample values greater than 0.4% Li_2O versus the number of samples greater than 0.1% Li_2O .

PAM intends to test the Exploration Target with further drilling which is expected to commence in the next 2 months. A metallurgical test work program is also planned to evaluate potential metallurgical performance of the mineralisation.

PAM will also test other areas of potential that are not included in the Exploration Target estimate.

Pan Asia Metals Managing Director Paul Lock said: *"We recently reported a Mineral Resource of 10.4Mt containing about 113,000t LCE at the Reung Kiet Lithium Prospect, which is located about 8km south-west of the Bang I Tum Lithium Prospect. The drilling results and subsequent Mineral Resource at Reung Kiet, and the fact that the Bang I Tum Exploration Target is drill supported, gives us a higher degree of confidence in the quantum of the Exploration Target. Our objective is to generate an Ore Reserve sufficient to meet our initial production target of 10,000tpa LCE for minimum 10 years. We are on track to achieve this and once achieved our objective is to add to it."*

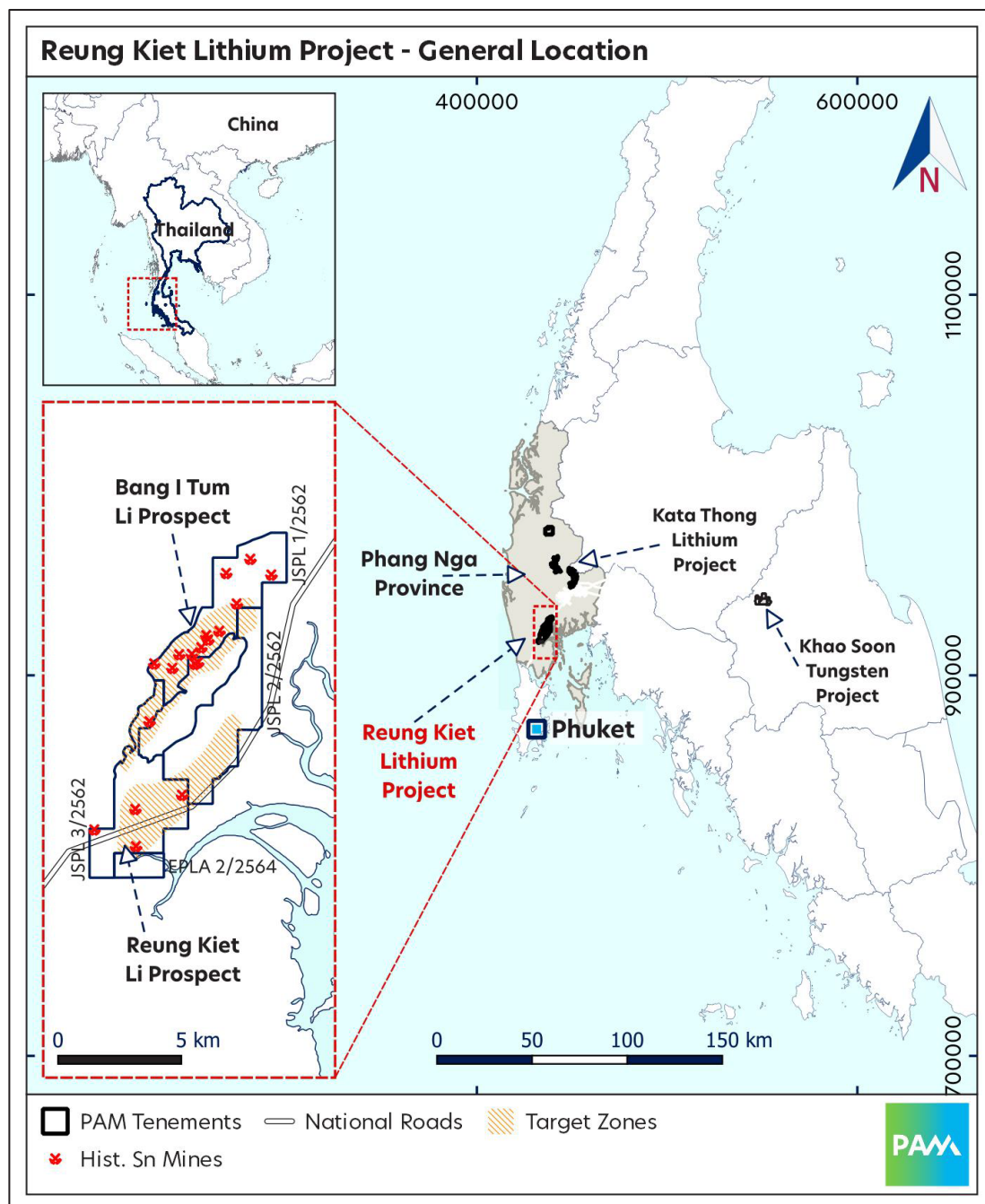
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**Authorised by:
Board of Directors**



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 Application covering about 40km².



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



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 that have the potential to position Pan Asia Metals to produce metal compounds and other value-added products that are in high demand in the region.

Pan Asia Metals currently owns three lithium projects and one tungsten project. The projects are located in Thailand, a low cost advanced industrial economy, and fit Pan Asia Metal'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 a target generation program which identifies desirable assets in the region. Through the program, Pan Asia Metals has a pipeline of target opportunities which are at various stages of consideration. In the years ahead, 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

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Competent Persons Statement

The information in this Public Report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr. David Hobby, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Hobby is an employee, Director and Shareholder of Pan Asia Metals Limited. Mr. Hobby has sufficient experience that is relevant to the style of mineralization 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. 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 1 - JORC Code, 2012 Edition - Table 1

PAM Lithium Projects - Drilling

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<p>Nature and quality of sampling (e.g. cut channels, random chips, downhole gamma sondes, handheld XRF instruments, etc).</p> <p>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</p> <p>Aspects of determination of mineralisation that are Material to the Report (eg 'RC drilling used to obtain 1m samples from which 3kg was pulverised to produce a 30g charge for fire assay'; or where there is coarse gold that has inherent sampling problems).</p>	<p>Cut drillcore samples were selected in order to ascertain the degree of lithium enrichment. The samples are representative of the lithium mineralisation within the samples collected.</p> <p>Drillcore is subjected to spot analysis by handheld XRF at intervals of around 0.3-0.5m within and adjacent to pegmatite dykes. The quality of this sampling is not representative of the core as a whole and so the results are viewed as preliminary indications of the grade of target elements.</p> <p>Certified Reference Material is routinely analysed to ensure the XRF is operating accurately and/or precisely.</p> <p>The mineralisation is contained within alpo-pegmatites. Half HQ3 or NQ3 samples were used with sample weights of 2.5kg-3.5kg and average sample interval is 0.99m. The whole sample is fine crushed, and then split to obtain a 0.5-1kg sub-sample all of which is pulverised to provide the assay pulp.</p>
Drilling techniques	<p>Drill type (eg core, reverse circulation, etc) and details (eg core diameter, triple tube, depth of diamond tails, face-sampling bit, whether core is oriented; if so, by what method, etc).</p>	<p>All holes are diamond core from surface. HQ and NQ triple tube diameters were employed. The core was oriented using the spear method, as directed by the rig geologist.</p>
Drill sample recovery	<p>Method of recording and assessing core and chip sample recoveries and results assessed.</p> <p>Measures taken to maximise sample recovery, ensuring representative nature of samples.</p> <p>Is sample recovery and grade related; has sample bias occurred due to preferential loss/gain of fine/coarse material?</p>	<p>Drill core recovery is recorded for every drill run by measuring recovered solid core length over the actual drilled length for that run.</p> <p>Triple tube drill methods were used to assist with maximising sample recovery especially in the weathered zone.</p> <p>Sample recovery through the mineralised zones averages 96%, so little bias would be anticipated.</p>
Logging	<p>Have core/chip samples been geologically/geotechnically logged to a level of detail to support appropriate resource estimation, mining studies and metallurgical studies.</p> <p>Is logging qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</p> <p>The total length and percentage of the relevant intersections logged.</p>	<p>The drill core was geologically logged at sufficient detail. Geotechnical logging was limited to contact zones and major structures.</p> <p>The logging is mostly qualitative in nature, with some quantitative data recorded. Photographs of each core tray wet and dry, and of wet cut core were taken. The total length of core logged.</p>
Sub-sampling techniques and sample	<p>If core, cut or sawn and whether quarter, half or all core taken.</p> <p>If non-core, riffled, tube sampled etc and sampled wet or dry?</p> <p>For all sample types, nature, quality and appropriateness of sample preparation technique.</p>	<p>All core for sampling was cut in half with a diamond saw. Some samples were cut as ¼ core from the original half core, for QA/QC.</p> <p>The sample preparation technique is industry standard, fine crush to 70% less than 2mm. A sub-sample of 0.5-1kg or 100% of sample weight if less than 1kg is obtained via rotary splitting. This sample is pulverised to 85% passing 75 microns. The laboratory reports QA/QC particle size analysis for crushed and pulverised samples. The laboratory also reports</p>

Criteria	JORC Code explanation	Commentary
	<p>QAQC procedures for all sub-sampling stages to maximise representivity of samples.</p> <p>Measures taken to ensure sampling is representative of the material collected, e.g. results for field duplicate/second-half sampling.</p> <p>Whether sample sizes are appropriate to the grain size of the material being sampled.</p>	<p>results for internal standards, duplicates, prep duplicates and blanks. Pan Asia has collected ¼ core pairs. Comparison of results indicate excellent agreement between Li₂O grades from each ¼ pair.</p> <p>The sample weights average 2.8kg. This is considered appropriate for the material being sampled.</p>
Quality of assay data and laboratory tests	<p>Nature, quality and appropriateness of the assaying and laboratory procedures used; whether the technique is considered partial or total.</p> <p>For geophysical tools, spectrometers, handheld XRF instruments etc, parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied, their derivation, etc.</p> <p>Nature of QAQC procedures adopted (eg standards, blanks, duplicates, external laboratory checks); whether acceptable accuracy levels (ie lack of bias) / precision established.</p>	<p>Analysis in by ALS Method ME-MS89L, which uses a sodium peroxide digestion with ICP finish, all by ALS Chemex in Vancouver or Perth. The method is considered a total technique. Multielement analysis is done by sodium peroxide digestion with ICP-MS finish with 49 elements reported.</p> <p>The laboratory reports results for internal standards, duplicates, prep duplicates and blanks. PAM has conducted ¼ sampling and re-analysis of sample pulps utilising different digestion and assay methods. Pan Asia inserts its own internal Li “standards” as pulps and blanks as 0.5kg. Both the lab QA/QC and additional PAM data indicate acceptable levels of accuracy and precision for Li assays, PAM has only utilised internal ALS QA/QC for the multielement data. For spot hhXRF analysis, an Olympus Vanta⁺ X-Ray Fluorescence analyser in Geochem3 extra mode, with analysis for 30 seconds. Li cannot be analysed by hhXRF. However, Rb, Cs, Mn, show good correlation with lab reported Li results. Other elements of interest such as Sn, Ta and Nb are also recorded by hhXRF as well as many others. Certified standards are routinely analysed.</p>
Verification of sampling and assaying	<p>Verification of significant intersections by independent / alternative company personnel.</p> <p>The use of twinned holes.</p> <p>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</p> <p>Discuss any adjustment to assay data.</p>	<p>Sample results have been checked by company Chief Geologist and Senior Geologist. Li mineralisation is associated with visual zones of distinctively coloured lepidolite.</p> <p>Assays reported as Excel xls files and secure pdf files.</p> <p>Data entry carried out both manually and digitally by Geologists. To minimize transcription errors field documentation procedures and database validation are conducted to ensure that field and assay data are merged accurately.</p> <p>The adjustments applied to assay data for reporting purposes: Li x 2.153 to convert to Li to Li₂O. Ta is converted to Ta₂O₅ by multiplying Ta by 1.221.</p>
Location of data points	<p>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings etc used in estimation.</p> <p>Specification of grid system used.</p> <p>Quality and adequacy of topographic control.</p>	<p>Drill hole locations up to RKDD050 are derived from DGPS, with approximately 10cm accuracy. RKDD051 and onwards are sited by handheld GPS with accuracy of 2-5m in XY. The Z value is derived from topographic model with 1m accuracy.</p> <p>All locations reported are UTM WGS84 Zone 47N.</p>

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	<p>Data spacing for reporting of Exploration Results.</p> <p>Is data spacing and distribution sufficient to establish degree of geological and grade continuity appropriate for Resource / Reserve estimation procedure(s) and classifications applied?</p> <p>Whether sample compositing has been applied.</p>	<p>The drilling was conducted on variably spaced sections with holes 50-100m apart on section, with two holes on many sections giving down-dip separations of about 50-100m between holes.</p> <p>Resources or reserves are not being reported.</p> <p>Sample compositing relates to reporting total aggregate pegmatite thickness, over a drilled interval. Grades are then reported by weighted average.</p>
Orientation of data in relation to geological structure	<p>Does the orientation of sampling achieve unbiased sampling of possible structures; extent to which this is known/understood.</p> <p>If relationship between drilling orientation and orientation of mineralised structures has introduced a sampling bias, this should be assessed and reported if material.</p>	<p>The sampling of half core and ¼ core supports the unbiased nature of the sampling.</p> <p>The drill holes reported are drilled normal or very near normal to the strike of the mineralised zone.</p>
Sample security	The measures taken to ensure sample security.	Samples are securely packaged and transported by company personnel or reputable carrier to the Thai-Laos border, where ALS laboratory personnel take delivery or the samples are on forwarded to ALS Laos. Pulp samples for analysis are then air freighted to Vancouver or Perth in accordance with laboratory protocols.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	No formal audits conducted at this stage of the exploration program.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<p>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.</p> <p>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.</p>	<p>Three contiguous Special Prospecting Licences (JSPL1, 2 and 3) covering an area of 48sq km are registered to Thai company Siam Industrial Metals Co. Ltd. (SIM). Pan Asia Metals holds 100% of SIM located 60km north of Phuket in southern Thailand.</p> <p>The tenure is secure and there are no known impediments to obtaining a licence to operate, aside from normal considerations.</p>
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	<p>The Institute of Geological Sciences, a precursor of the British Geological Survey (BGS) in the late 1960's conducted geological mapping, documenting old workings, surface geochemical sampling, mill concentrates and tailings sampling and metallurgical test work on the pegmatite then being mined at Reung Kiet. This work appears to be of high quality and is in general agreement with Pan Asia's work.</p> <p>In 2014 ECR Minerals reported Li results for rock samples collected in Reung Kiet project area. The locations and other details of the samples were not reported. But the samples showed elevated Li contents.</p>
Geology	Deposit type, geological setting and style of mineralisation.	The project is located in the Western Province of the South-East Asia Tin Tungsten Belt. The Reung project area sits adjacent and sub-parallel to the regionally extensive NE trending Phangnga fault. The Cretaceous age Khao Po granite intrudes into

Criteria	JORC Code explanation	Commentary
		Palaeozoic age Phuket Group sediments along the fault zone, Tertiary aged LCT pegmatite dyke swarms intrude parallel to the fault zone.
Drillhole Information	<p>A summary of information material to the understanding of the exploration results including a tabulation for all Material drill holes of:</p> <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in meters) of the drill hole collar dip and azimuth of the hole downhole length and interception depth hole length. <p>If exclusion of this information is not Material, the Competent Person should clearly explain why this is the case.</p>	Drillhole information and intersections are reported in tabulated form within the public report.
Data aggregation methods	<p>Weighting averaging techniques, maximum/minimum grade cutting and cut-off grades are Material and should be stated.</p> <p>Where compositing short lengths of high grade results and longer lengths of low grade results, compositing procedure to be stated; typical examples of such aggregations to be shown in detail.</p> <p>Assumptions for metal equivalent values to be clearly stated.</p>	<p>Li₂O Intersections are reported at > 0.2% Li₂O, and allow for up to 2m intervals of internal dilution of < 0.2% Li₂O. Sn, Ta₂O₅, Cs, Rb and K are also reported For reporting purposes only the Sn and Ta₂O₅ intersections occurring outside the Li₂O intersections are reported at >1000ppm (Sn+Ta) which is derived by Sn +3.5x Ta₂O₅ (in ppm).</p> <p>All intersections are weighted averages with no top cut being applied.</p> <p>Higher grade zones within the bulk lower grade zones are reported, where considered material.</p>
Relationship between mineralisation widths and intercept lengths	<p>These relationships are particularly important in the reporting of Exploration Results.</p> <p>If mineralisation geometry with respect to the drillhole angle is known, its nature should be reported.</p> <p>If it is not known and only down hole lengths are reported, a clear statement to this effect is required (eg 'down hole length, true width not known').</p>	<p>Intercept lengths are reported as downhole length.</p> <p>The mineralised zones dip around 65-50 degrees southeast. Holes were drilled at -55 to -65 degrees towards the northwest (normal to strike). The true width of the mineralisation reported is around 75-90% of the reported downhole width. This can be measured on Cross Sections in the Public Report.</p>
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts to be included for any significant discovery. These to include (not be limited to) plan view of collar locations and appropriate sectional views.	Appropriate plans and sections are provided in the public report.
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.	Results are reported for every drillhole, that are above cut-off grade. Some results below Li ₂ O cut-off grade are reported to assist interpretation.
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	The drilling results reported are from holes targeting mineralisation beneath and along strike from an old open cut. Soil, rock-chip and trench sampling by Pan Asia indicate additional mineralisation is present along trend to the south, where drillholes are also reported Weaker surface Li anomalism is also



Criteria	JORC Code explanation	Commentary
	characteristics; potential deleterious or contaminating substances.	present immediately north of the pit. The whole mineralised trend at RK are potentially 1km or more. Garson et al 1969 conducted work on concentrates, tailings and met test-work on a sample taken from the mine. This work was positive, no deleterious substances have been identified to date.
Further work	<p>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</p> <p>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas (if not commercially sensitive).</p>	Planned further work will include drilling especially along strike to the south. Infill drilling is also planned around existing holes that have intersected higher grade mineralisation. This may later lead to deeper/step out drilling should geological controls on higher grade zones be identified.