

ASX Announcement | September 7, 2021

Thick pegmatites intersected Reung Kiet Lithium Prospect, Thailand

HIGHLIGHTS

- Drilling continues to intersect pegmatite dykes and vein swarms.
- Results include:
 - RKDD031: 14.85m wide pegmatite from 90.1m; and
18.4m thick pegmatite from 130.7m
 - RKDD030: 31.4m of composite pegmatite thickness from 42.3m-80.2m
 - RKDD029: 23.25m thick pegmatite dyke from 49.95m
 - RKDD028: 5.3m thick pegmatite dyke from 15.7m
 - RKDD027: 10.6m thick pegmatite dyke from 28.3m
 - RKDD026: 13.8m of composite pegmatite thickness from 11.95 to 50.4m
- Lithium mineralisation in pegmatite dykes and veins containing lepidolite (lithium mica).
- Pegmatite trend is approximately 1km long, and remains open to the north, south and at depth.
- New 18.4m wide pegmatite discovered in hole RKDD031, remains open in all directions.
- Tin and tantalum mineralisation occur in association with lithium as well as rubidium and cesium, all potentially valuable by-products.
- Spot hand-held XRF analysis of lepidolite has identified lithium indicator elements Rb, Cs and Mn.
- Drillholes being processed and samples to be dispatched for analysis in the near term.
- Assay results for previous holes (RKDD016-022) are expected in about two weeks.
- Drilling is ongoing at Reung Kiet and will progress to the Bang I Tum lithium prospect.
- Mineral Resource estimates and Scoping Study expected in 1st Quarter 2022.

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- Pan Asia is initially targeting low cost production of up to 10,000tpa LCE plus by-products at Reung Kiet, with a minimum 10 year mine life.

Specialty metals explorer and developer **Pan Asia Metals Limited (ASX: PAM)** ('PAM' or 'the Company') is pleased to provide an update for six more drill holes completed at the Reung Kiet lithium prospect in southwest Thailand. These new holes and the results from previously reported holes continue to support the geological model of extensive lithium mineralisation hosted in lepidolite rich pegmatite dykes and veins currently defined over a strike length of 1km, which remains open.

Pan Asia Metals Managing Director Paul Lock said: *"Drilling continues to meet expectations and in hole RKDD031 has exceeded expectations as a second unexpected pegmatite of considerable width was intersected at depth. We are rapidly progressing to a Mineral Resource and we are targeting the delivery of a Scoping Study in the first quarter of calendar year 2022. Our aim at the Reung Kiet Lithium Project is to deliver a Mineral Resource which is sufficient to operate a 10,000 tonne per annum lithium hydroxide or lithium carbonate plant for 10 plus years, initially. Peer feasibility studies suggest that lepidolite is the lowest cost source of lithium and potentially has one of the lowest carbon footprints, until recently this is why we have been solely focusing on lepidolite style projects, but our Kata Thong Geothermal Li and Hard Rock Li/Sn Project has the potential to deliver equally compelling cost and emissions outcomes. Being located in South East Asia provides the added advantage of our proximity to all required process inputs and a myriad of established and emerging lithium chemical consumers."*

The Reung Kiet Lithium Project (RKLP) is one of two key lithium assets held by PAM, the other being the Kata Thong Geothermal Li and Hard Rock Li/Sn Project. RKLP is a hard rock lithium project with lithium hosted in lepidolite/mica rich pegmatites chiefly composed of quartz, albite, lepidolite and muscovite, with minor cassiterite and tantalite as well as other accessory minerals including some rare earths. Previous open pit mining extracting tin from the weathered pegmatites was conducted into the early 1970's.

PAM's objective is to continue drilling with the aim of reporting a Mineral Resource in accordance with the JORC Code 2012. The Mineral Resource will be used as part of a Scoping Study that plans to consider initial production of up to 10,000tpa of LCE and associated by-products. PAM is focusing on lepidolite as a source of lithium as peer group studies indicate that lithium carbonate and lithium hydroxide projects using lepidolite as their plant feedstock have the potential to be placed at the bottom of

Reung Kiet Prospect (RK)

Reung Kiet Lithium Project - Reung Kiet Prospect

Inset Map: Shows the project location in Cambodia, highlighting the Reung Kiet Prospect and the Bang I Tum Prospect. The map is bounded by JSPL 1/2562, JSPL 2/2562, and JSPL 3/2562. The Reung Kiet Prospect is located within EPLA 2/2564.

Main Map: Detailed geological map of the Reung Kiet Prospect, divided into RK North and RK South. The map shows various geological features, including Li₂O Soils Index (red for $\geq 0.12\%$, orange for $\geq 0.035\%$) and Li₂O Rock Chips (green diamonds for $\geq 1.00\%$, light green for $> 0.30\%$, and dark green for $< 0.30\%$). It also shows drill collars (circles with dots) and planned drill collars (blue circles). The map is bounded by coordinates 433200 to 433700 and 918200 to 918700. A scale bar indicates 0 to 0.25 km. A legend at the bottom defines symbols for Tenement, Tenement Application, Drill Collar, Drill Collar (Planned), Li₂O Soils Index, Li₂O Rock Chips, National Road, National Rail, HV Power, and Cross Section. The PAM logo is in the bottom right corner.

Legend:

- Tenement
- Tenement Application
- Drill Collar
- Drill Collar (Planned)
- Li₂O Soils Index: $\geq 0.12\%$ (red), $\geq 0.035\%$ (orange)
- Li₂O Rock Chips: $\geq 1.00\%$ (green diamond), $> 0.30\%$ (light green diamond), $< 0.30\%$ (dark green diamond)
- National Road
- National Rail
- HV Power
- Cross Section

PAM

Figure 1. Reung Kiet Prospect, showing drilling, surface geochemistry and old pit.



Mining of the weathered pegmatites extended up to 25m below surface, to the top of hard rock. Pan Asia has identified a prospective zone at least 1km long in association with extensive surface indications of lithium in trenching, rock-chips and soil anomalies, which are now supported by drilling results along the whole of the trend. Lithium mineralisation remains open to the north and south and at depth on many sections (see Figure 1).

Reung Kiet Prospect - Drilling

Pan Asia Metals has now completed thirty one (31) diamond core drill holes at RK for a total of 4,344m. Drilling is ongoing with holes RKDD026-031 now completed and being reported in this announcement.

Collar details for the holes being reported are provided in Table 1 - Reung Kiet Drill hole Collars, located in Appendix 1. Further technical details are provided in Appendix 2, being JORC Table 1. Appropriate plans and sections are provided throughout the report.

The holes are currently being logged and sampled. Assay results should be available in October.

Assay results for holes RKDD006-012 were previously reported in PAM ASX Announcement dated June 29 and titled "Drilling Update Reung Kiet Lithium Prospect, Thailand". Assay results for holes RKDD013-015 were reported in PAM ASX Announcement dated August 16 and titled "Drilling Update Reung Kiet Lithium Prospect, Thailand". As outlined in those announcements, all holes have returned zones of lithium mineralisation associated with lepidolite rich pegmatite dykes and veins and adjacent altered siltstone. Assay results for holes RKDD016-022 are expected in about 2 weeks.

PAM routinely conducts spot hhXRF analysis of pegmatites intersected and has identified lithium indicator elements rubidium (Rb), caesium (Cs) and manganese (Mn) occurring in close association with concentrations of lepidolite. Rb, Cs and Mn are known to occur within the crystal lattice of lepidolite, and it is Mn (manganese) that gives lepidolite its characteristic purple colour. The hhXRF results support observed lepidolite.

Technical Discussion

The RK pegmatite trend is divided into two main parts, RK North and RK South, each about 500m long (see Figure 1). RK North includes the old open cut and immediate



surrounds. RK South extends along strike to the southeast and encompasses a prominent knoll.

At RK North the pegmatite dykes and veins dip at 65-70 degrees to the south-east. The Main dyke intersected in drilling beneath the pit can be up to 30m wide, narrower dykes and veins also occur, particularly to the east. At RK South the pegmatites form a dyke and vein swarm that dips at angles of 65 to 30 degrees. The pegmatite dykes and veins at RK South are typically narrow but more numerous when compared to RK North.

Along the whole trend from west to east the pegmatite swarm is up 100m wide and may taper slightly to the northeast as RK North is approached (see Figure 2).

The whole 1km long trend remains open to the north, south and down dip on many sections. Additional infill and extensional drilling is being undertaken. Drill spacings are designed with the aim of estimating Mineral Resources. With continued success PAM expects to report Mineral Resources in early 2022.

In the discussion below, drillholes RKDD026-031 are discussed and cross sections are presented as shown in Figure 2. Photographs of some of the pegmatites intersected are also provided.

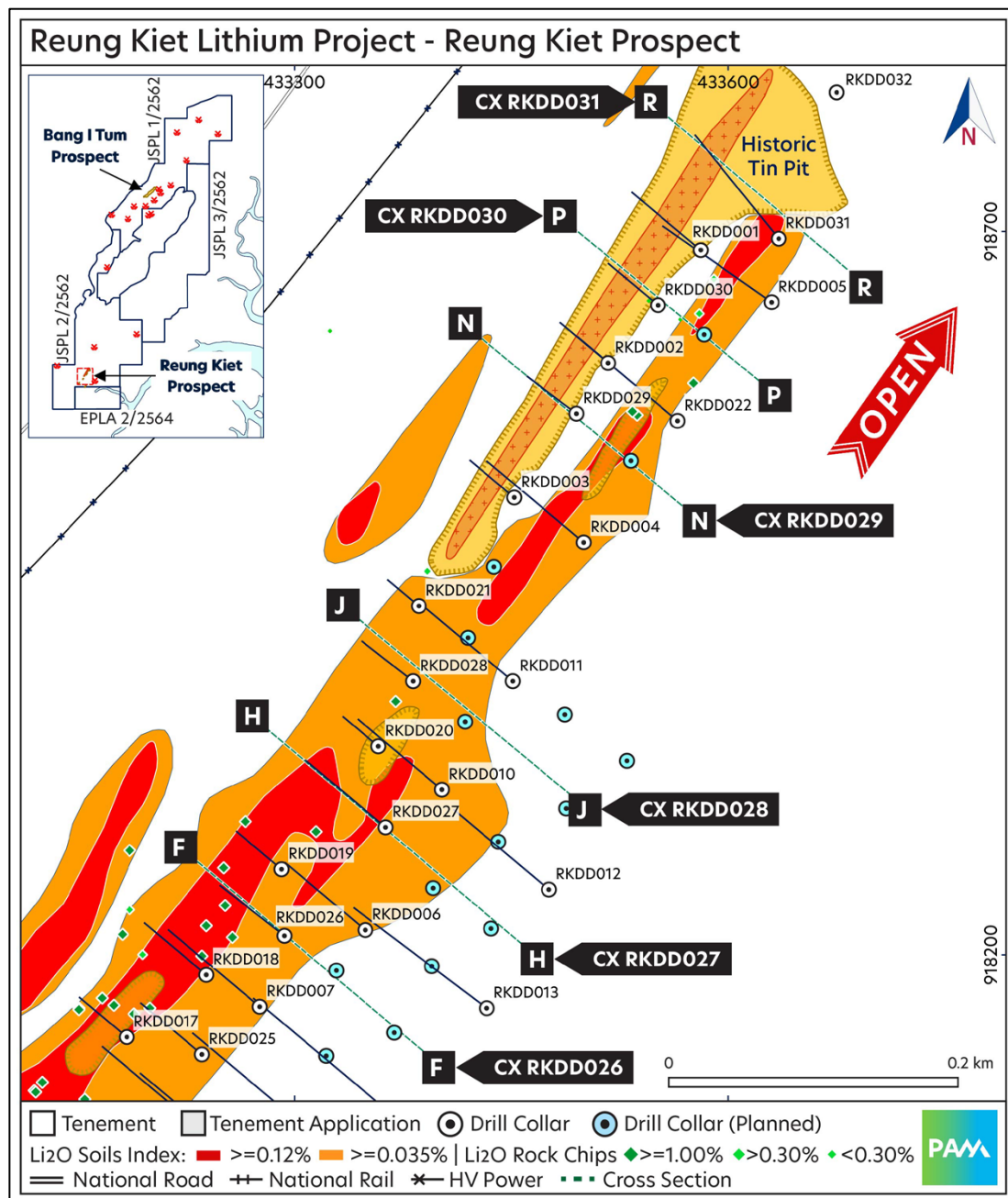


Figure 2. Reung Kiet North Prospect, drill collars, sections and surface geochemistry

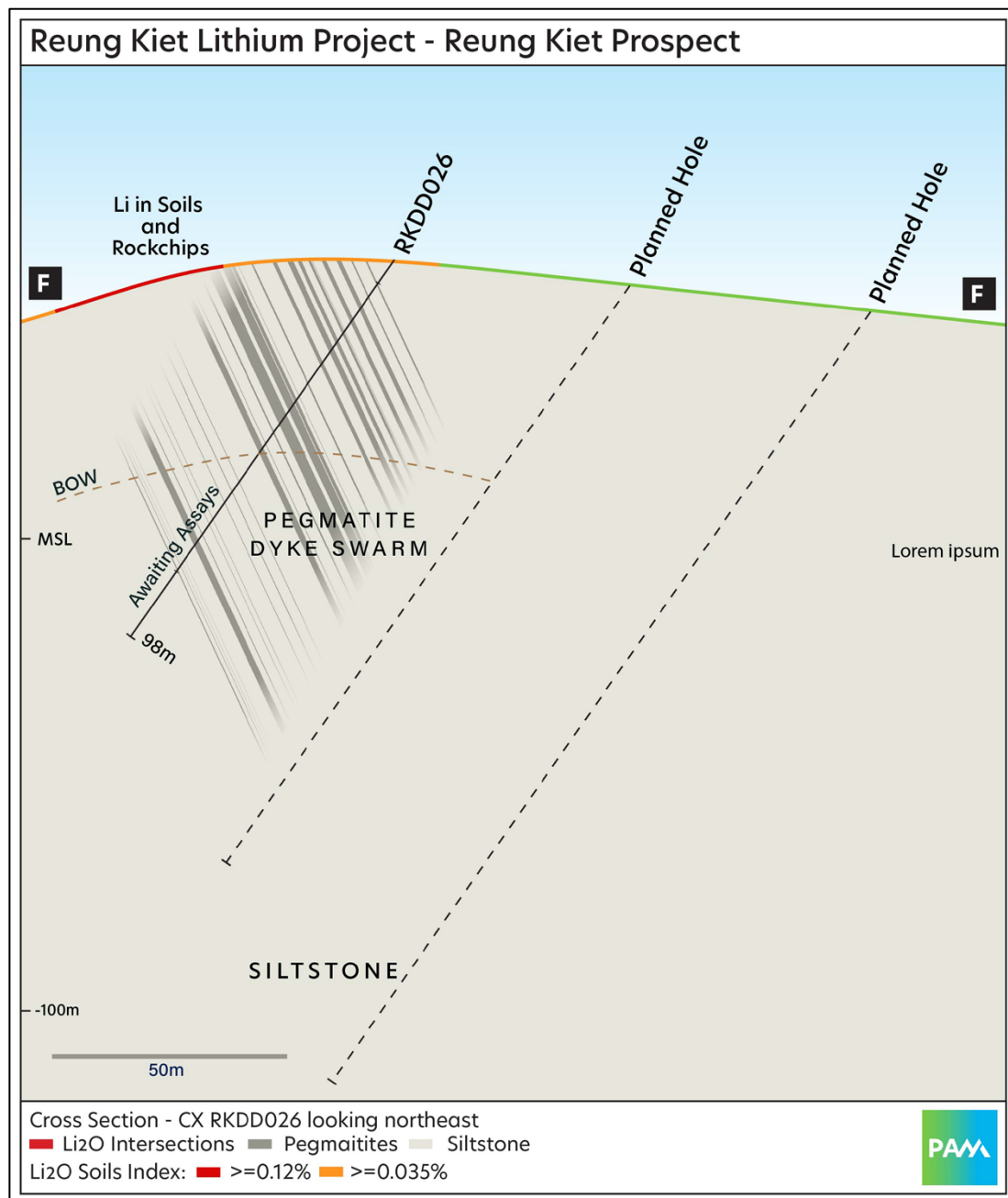


Figure 3. Section F showing RKDD026

On Section F, RKDD026 intersected numerous pegmatites from 6.1m to 81.5m, supporting the current interpretation of the western margin of the pegmatite swarm. In the hole the main part of the dyke swarm occurs from 11.1 to 50.4m which contains an aggregate width of 13.8m of pegmatite with individual dykes up to 2.65m wide (see Figure 3). Most of the dykes are weathered and contain lepidolite.

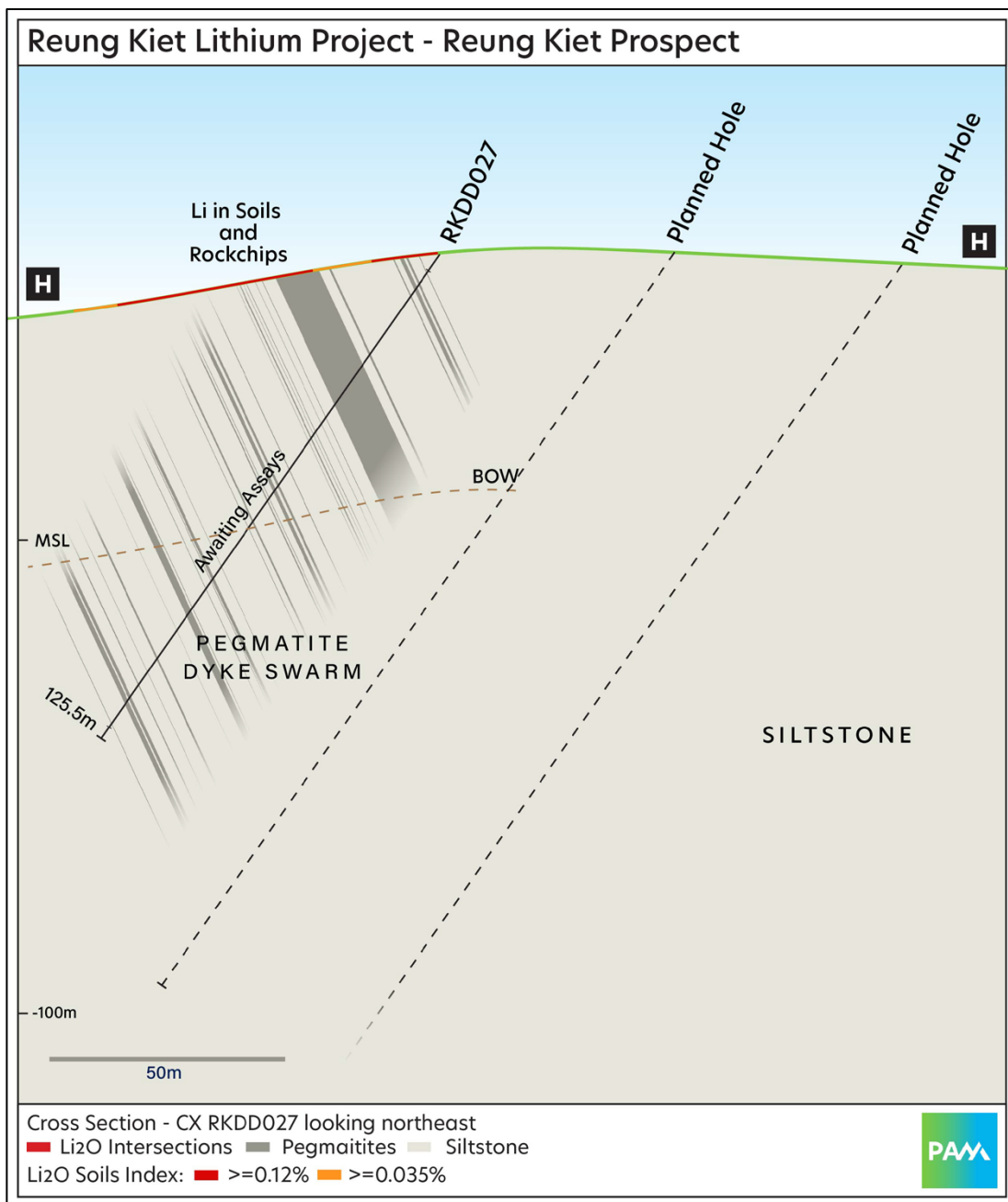


Figure 4. Section H showing RKDD027.

On Section J, RKDD028 intersected 14.8m of aggregate pegmatite thickness from 15.7 to 68m with the thickest pegmatite being 5.3m wide commencing at 15.7m (see Figure 5). This dyke and most of the other dykes and veins intersected are weathered. However, purple hues are noted and spot hhXRF results supports the presence of lepidolite.

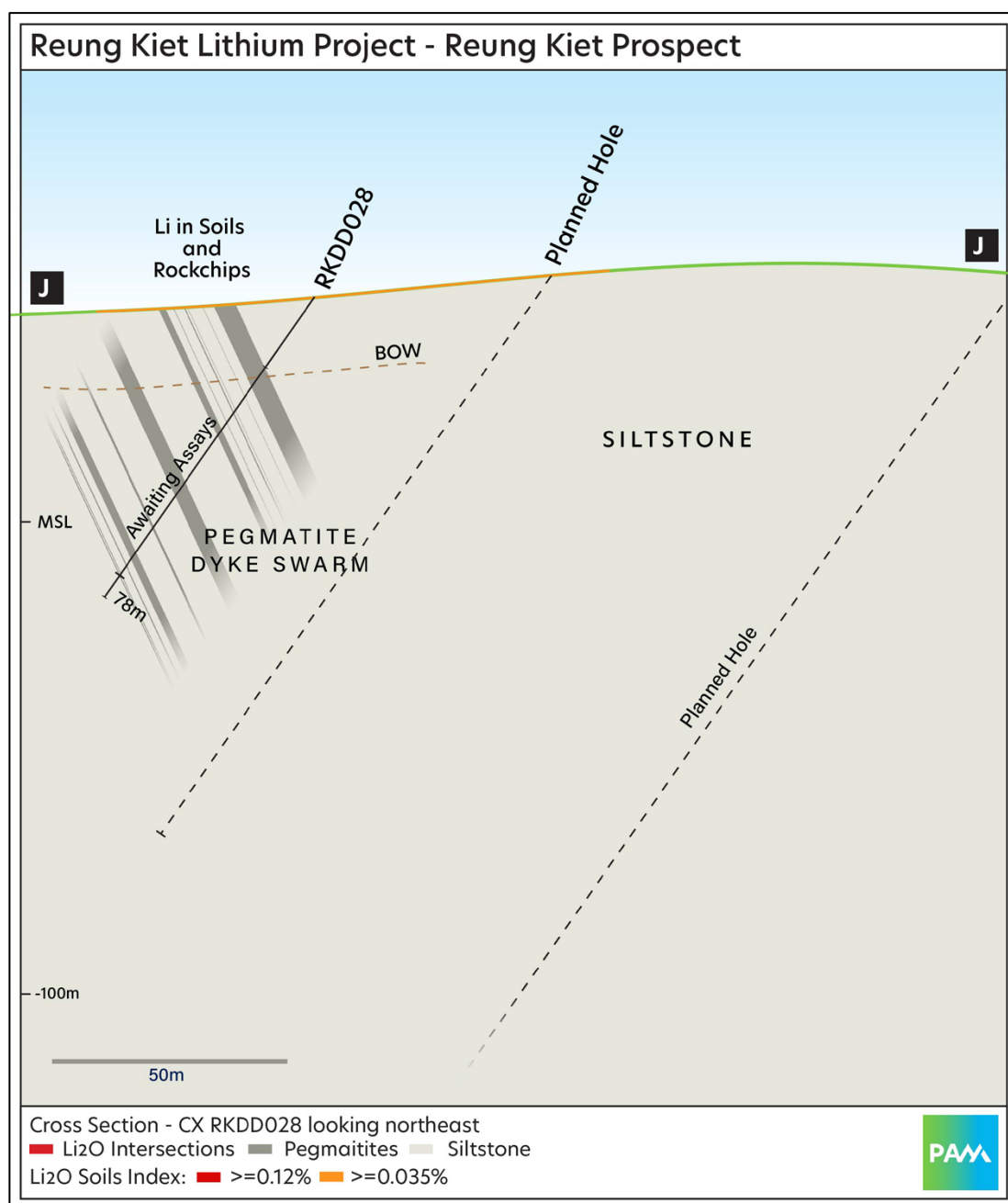


Figure 5. Section J showing RKDD028

RKDD029 was drilled on Section N as an infill hole targeting the pegmatite at relatively shallow depths beneath the old open cut. The hole intersected a 23.25m wide pegmatite dyke commencing at 49.95m. The centre of this pegmatite is approximately 35m below the base of the old open cut (see Figure 6).

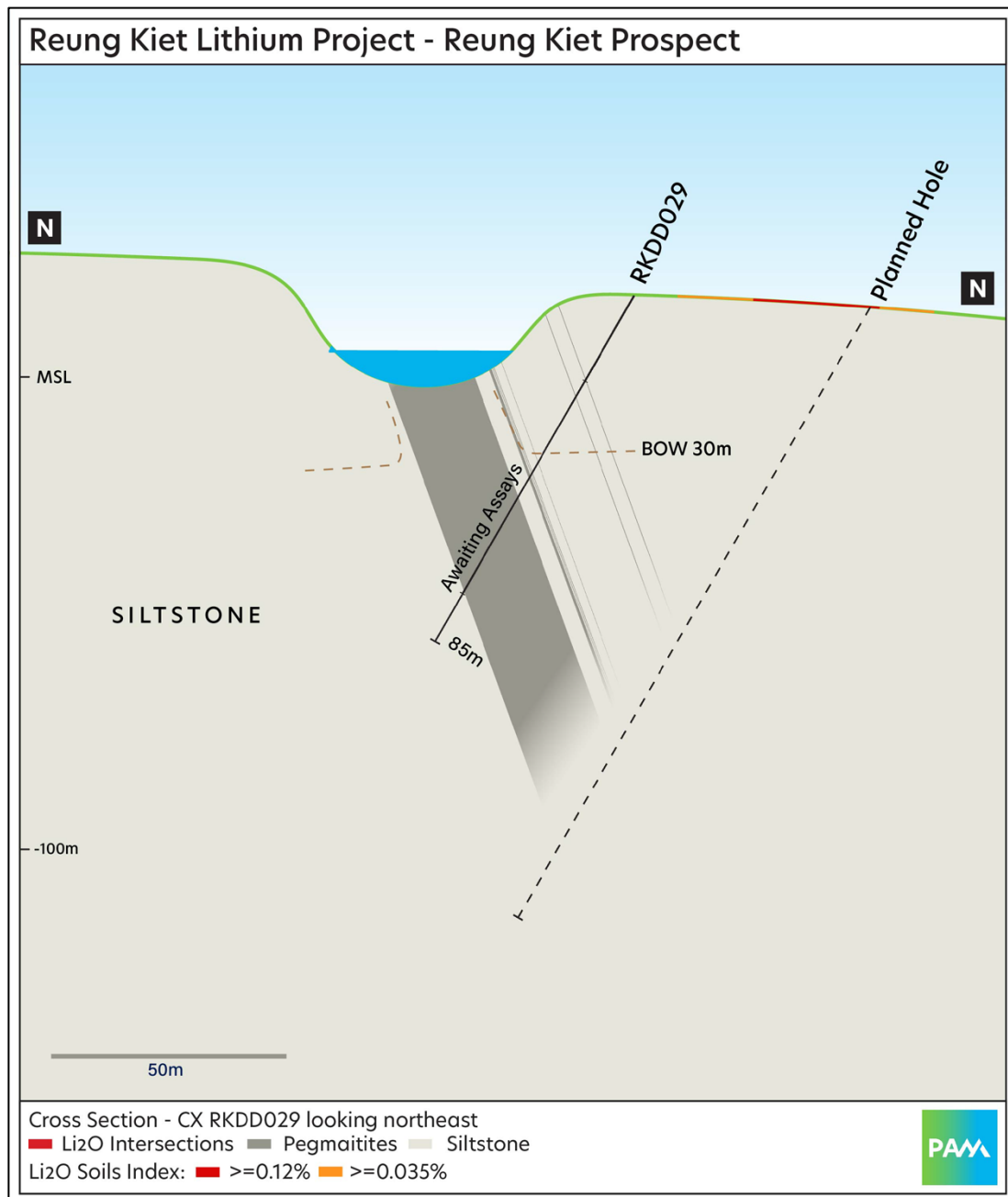


Figure 6. Section N showing RKDD030.

The pegmatite contained locally abundant lepidolite across numerous intervals, an example of which is shown in Photo 1.



Photo 1. RKDD029 from 51.6m to 70.0m, showing pegmatite with lepidolite

On Section P, RKDD030 was drilled as an infill hole targeting the pegmatite beneath the old pit. RKDD030 intersected a thick pegmatite zone. In 41.5m from 42.3m to 83.8m the total composite or aggregate width of pegmatite is 31.4m, the bulk of which is contained in a 20.65m wide pegmatite commencing at 46.3m, and another pegmatite 7.4m wide commencing from 70.95m (see Figure 7). The pegmatite occurs from 35 to 65m below the pit base and remains open at depth. Lepidolite was



observed across many intervals in the pegmatites, an example of which is shown in Photo 2.

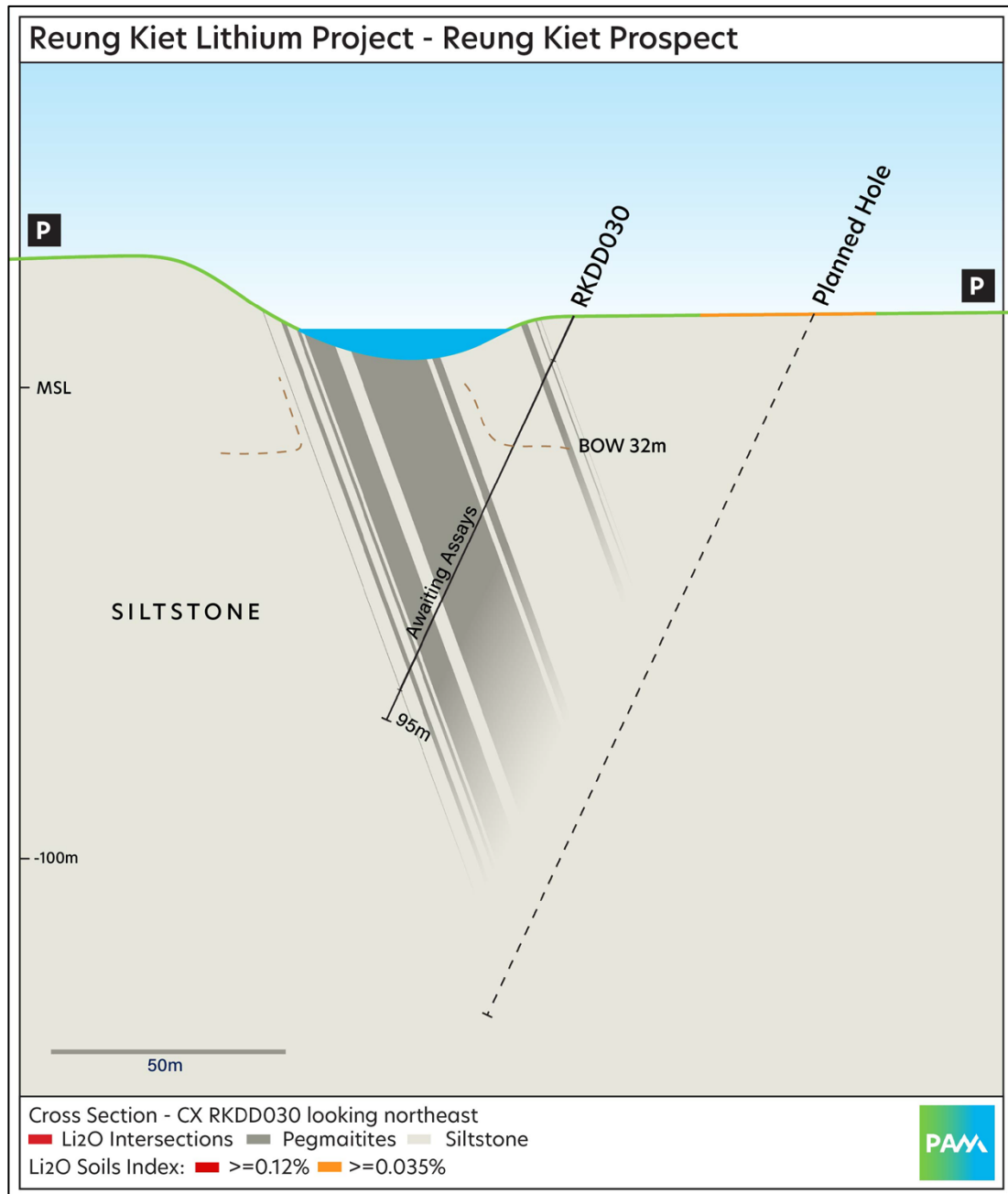


Figure 7. Section P showing RKDD030



Photo 2. RKDD030 from 47.8m to 65.5m,
showing pegmatite with lepidolite

On Section R, RKDD031 was drilled to test for northern extensions to lepidolite pegmatite intersected in hole RKDD001, drilled in 2019 prior to PAM's listing and which intersected 15.6m @ 0.82% Li_2O , representing the northern most limit of pegmatite intersected up to that point. RKDD031 intersected pegmatite from 90.1-104.95m as shown in Figure 8. This is the interpreted extension of the Main pegmatite intersected in hole RKDD001 and supports lepidolite mineralisation extending to the north and through this part of RKDD031 (See Photo 3).



Photo 3. RKDD031 from 90.1 to 104.9m
showing pegmatite with lepidolite

A second pegmatite, 18.4m wide was intersected deeper in the hole from 130.7m to 149.1m. This represents a previously unknown pegmatite that appears to have been mined in the northwest corner of the pit but extends to at least 100m down-dip where it was intersected in RKDD031 (see Figure 8). The new pegmatite contains sporadic lepidolite with locally enriched zones (see Photo 4).



Photo 4. RKDD031 from 138.8m to 149.1m
showing pegmatite patchy lepidolite

The pegmatites in hole RKDD031 represent the northern most intersections of pegmatite to date, which remain open to the north. The western most pegmatite is new and the position of possible strike extensions of this dyke to the south has not been tested in previously drilled holes. The potential northern extension of these pegmatites will be tested in future drilling (see Figure 1).

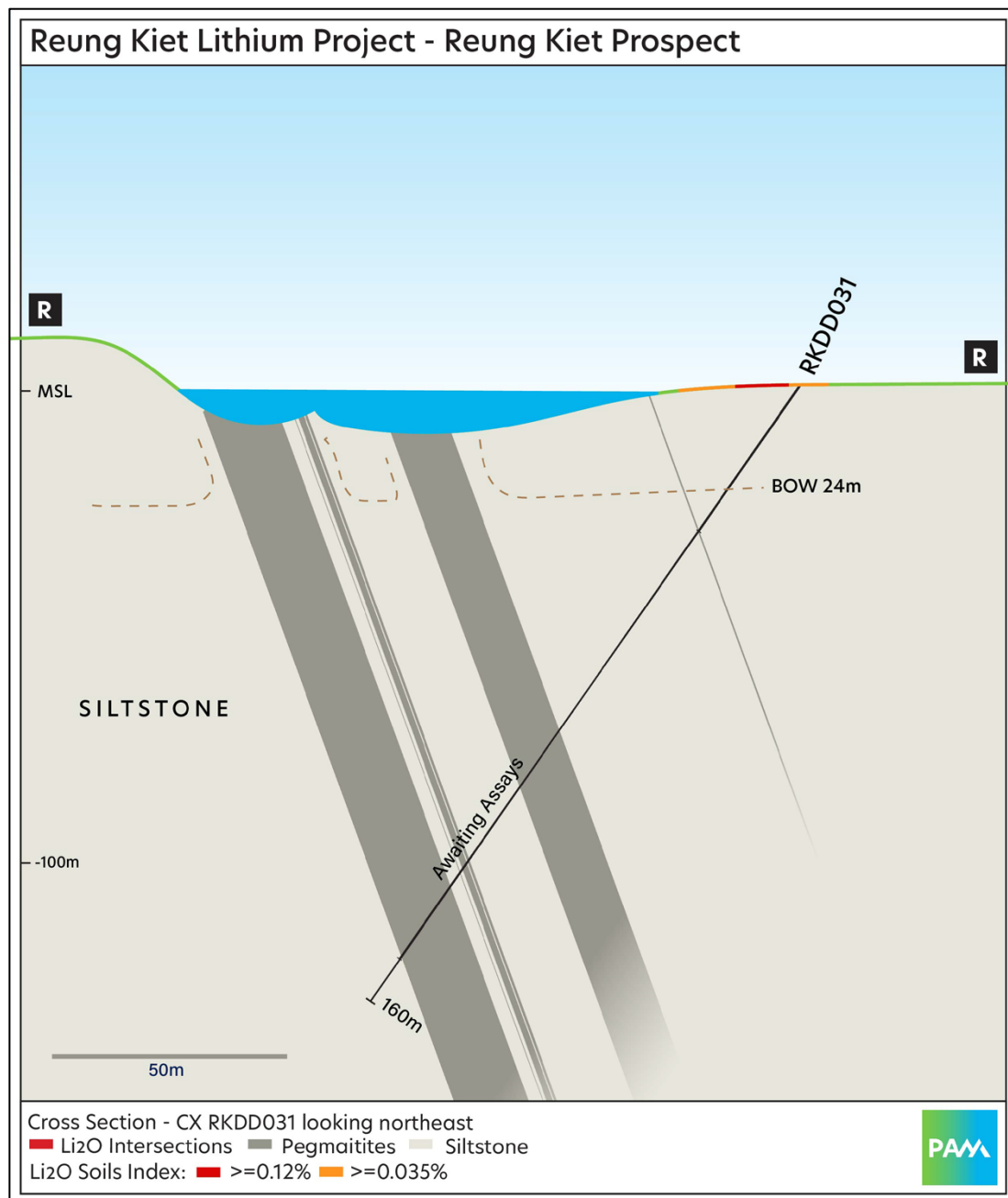


Figure 8. Section R showing RKDD031

Government support

In late 2020 PAM was invited by the Chief Executive Officer of the Phang Nga Provincial Administrative Organisation (PAO), a Phang Nga Provincial Government coordinating body, to present PAM and the Reung Kiet Lithium Project. The meeting was called to assist the Phang Nga Provincial Government with their considerations



for the potential establishment of mining and industrial development areas. Also present was the Chairman of the Phang Nga New Town Planning Committee, who conveyed the Committee's support for the Reung Kiet Lithium Project. The PAO stated that it wants to ensure that the requirements of the Reung Kiet Lithium Project are incorporated into the Phang Nga New Town Planning Committee's zoning plans to ensure that the project can progress should exploration and feasibility results prove positive. See PAM's ASX announcement dated 21st October, 2020, and titled 'Positive Discussions regarding Reung Kiet Lithium Project with Phang Nga Provincial Government'.

Forward planning

PAM has further drill holes planned at both the Reung Kiet and Bang I Tum lithium prospects, with a maiden Mineral Resource estimate and Scoping Study expected in 1st Quarter 2022.

Share Purchase Plan (SPP)

As reported in PAM ASX Announcement dated September 6 and titled "PAM announces \$8M capital raising to underpin next phase of exploration and development activities", PAM is conducting an \$8M capital raising, of which \$2M is expected to be raised under a SPP to be offered to all existing eligible shareholders at the same offer price. The terms and conditions of the SPP will be dispatched to eligible shareholders and released to ASX by way of a separate announcement but indicative terms have been provided herein. ***Shareholders can lodge their interest in the SPP by way of the QR Code provided below.***

The Company looks forward to keeping Shareholders and the market updated on the drilling progress and results obtained from the drilling program at the Reung Kiet Lithium Project.

Ends

Authorised by:
Board of Directors



Shareholder Purchase Plan

Pan Asia Metals Limited wishes to reward its loyal Shareholders by conducting a Shareholder Purchase Plan ("SPP") to raise up to \$2,000,000 on the same terms as the Placement. Eligible Shareholders will be entitled to subscribe for up to \$30,000 worth of new shares at \$0.40 each without paying any brokerage.

If less than A\$1,000,000 is subscribed for under the SPP, Viriathus Capital Pty Ltd or its nominees will subscribe for shares ensuring the Company raises at least \$1,000,000 under the SPP.

The funds raised under the SPP will be used for the same purposes as under the Placement. The shares issued under the SPP will rank equally with existing shares on issue.

Oversubscriptions will not be accepted. We encourage all Shareholders to register their details using the QR Code below so that we can send a copy of their personalised SPP documents by email when available.

SPP Indicative Timetable

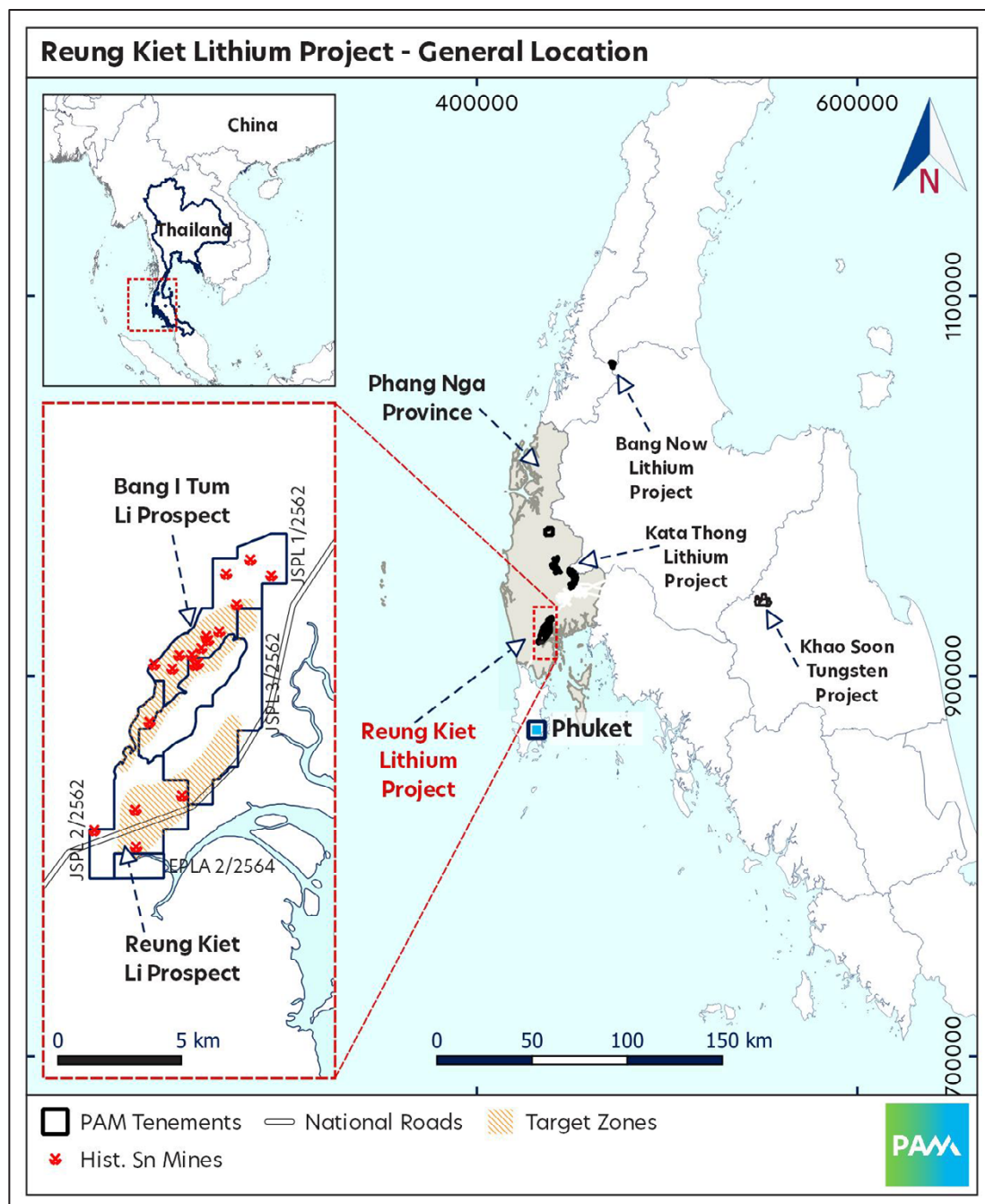
An indicative timetable for the Placement and SPP is set out below.

Event	Date	
Record date of SPP	3 Sep, 2021	
Announcement of Placement and SPP	6 Sep, 2021	
Issue of Placement Shares	13 Sep, 2021	
Proposed opening date of SPP	20 Sep, 2021	
Proposed closing date of SPP	8 Oct, 2021	
Proposed issue date of SPP Shares	15 Oct, 2021	



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 Licences (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 two tungsten projects. Four of the five projects are located in Thailand fitting 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

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 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

Table 1 - Reung Kiet Drill hole collars

Hole ID	East	North	Dip	Azimuth (mag)	mASL	T_Depth (m)
RKDD026	433293	918213	-55	308	60	98
RKDD027	433363	918288	-55	310	55	125.5
RKDD028	433382	918389	-55	308	48	78
RKDD029	433495	918574	-60	307	16	85
RKDD030	433541	918657	-65	310	15	95
RKDD031	433635	918695	-55	321	15	160
RKDD032	In progress					



APPENDIX 2 - 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 (eg 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 and The samples are representative of the lithium mineralisation within the samples collected.</p> <p>Drillcore is subjected to spot analysis by hand held 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 average sample weight of 2.5kg-3.5kg and average sample interval is 0.99m. The whole sample was 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</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>pulverised samples. The laboratory also reports 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 2.6kg. 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>The initial assaying procedure used is 4 acid digestion followed by ICP-AES analysis. Some pulps also have sodium peroxide digestion with ICP finish, all by ALS Chemex in Vancouver or Perth. Both methods are considered a total technique. Multielement analysis is done by sodium peroxide digestion with ICP-MS finish with 49 elements reported, (ALS method ME-MS89L)</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, K 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</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 are derived from hand held GPS, with approximately 2-5m accuracy, sufficient for this type of reconnaissance drilling.</p> <p>All locations reported are UTM WGS84 Zone 47N.</p> <p>Topographic locations interpreted from Thai base topography in conjunction with GPS results.</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 70-100m between holes.</p> <p>Resources or reserves are not being reported.</p> <p>Sample compositing was not applied</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 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 Palaeozoic age Phuket Group sediments along the

Criteria	JORC Code explanation	Commentary
		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 from 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>Intersections are reported at > 0.2% Li₂O, and may rarely, allow for internal dilution of < 0.2% Li₂O. No top cut has been applied.</p> <p>Higher grade zones within the bulk lower grade zones are reported, where 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 65-70 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 70-85% of the reported downhole width.</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.
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.	<p>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 present immediately north of the pit. The whole mineralised trends at RK are potentially 1km or more long.</p> <p>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.</p>

Criteria	JORC Code explanation	Commentary
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>	<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.</p>

Criteria	JORC Code explanation	Commentary
Sampling techniques	<p>Nature and quality of sampling (eg 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 and The samples are representative of the lithium mineralisation within the samples collected.</p> <p>The mineralisation is contained within alpo-pegmatites. Half HQ3 or NQ3 samples were used average sample weight of 2.5kg-3.5kg and average sample interval was 0.99m. The whole sample was 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>QAQC procedures for all sub-sampling stages to maximise representivity of samples.</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 results for internal standards, duplicates, prep duplicates and blanks. Pan Asia has collected ¼ core</p>

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	<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>pairs. Comparison of results indicate excellent agreement between Li₂O grades from each ¼ pair.</p> <p>The sample weights average 2.6kg. 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>The initial assaying procedure used is 4 acid digestion followed by ICP-AES analysis. Some pulps also had sodium peroxide digestion with ICP finish, all by ALS Chemex in Vancouver or Perth. Both methods are considered a total technique. Multielement analysis is done by sodium peroxide digestion with ICP-MS finish with 49 elements reported, (ALS method ME-MS89L)</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..</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</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 are derived from hand held GPS, with approximately 2-5m accuracy, sufficient for this type of reconnaissance drilling.</p> <p>All locations reported are UTM WGS84 Zone 47N.</p> <p>Topographic locations interpreted from Thai base topography in conjunction with GPS results.</p>
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 70-100m between holes.</p> <p>Resources or reserves are not being reported.</p> <p>Sample compositing was not applied</p>
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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 70 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 70-80% of the reported downhole width.</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.
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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.