



ASX Announcement | 08 July 2024

RK Lithium Project RK Property Secured by Option Agreement

Highlights

- PAM has secured the landholding under the RK Lithium Prospect
- Landholding secured by Option Agreement on favourable terms
- Follows declaration of Mining Zones across the RK Lithium Project in early 2023
- Agreement paves the way for exclusive Sale or Lease negotiations
- Agreement an important step in strategic investor discussions
- Agreement important for completion of feasibility and submission of ML Application

Pan Asia Metals' Managing Director, Paul Lock, said: *"Securing the landholding over the RK Lithium Prospect is an important step for discussions with potential strategic partners and for lodgment of a Mining License application. The Option Agreement also speaks volumes for PAM's team in Thailand, and the reputation they have built on the ground with the landholder and the local communities in PhangNga Province. PAM has enjoyed a positive relationship with the landholder for many years and looks forward to working together into the future."*

Battery and critical metals explorer and developer Pan Asia Metals Limited (ASX: PAM) ('PAM' or 'the Company') is pleased to report that it has entered into an exclusive Option Agreement with the owner of the property on which the RK Prospect is situated.

PAM has executed an Option Agreement over the land area on which the RK Lithium Prospect is situated, which captures substantially all of the Mineral Resource, see Table 1, Appendix 1. The RK Lithium Prospect is the southern most prospect of the RK Lithium Project, see Appendix 1. The land area under the Option Agreement is approximately 42Ha (0.42km²) in area and includes the full extent of the historical Reung Kiet tin mine, the southern extension and a substantial portion of land area to the east of the mineralisation zone (see Figure 1).

The land area under the Option Agreement also falls within the previously declared Mining Zones (see Figure 1). The Mining Zones give PAM the legal right to submit Mining Lease applications and to conduct all activities relevant to establishing a mining business on its tenements which make up the RK Lithium Project (see PAM's ASX Release dated 19 April, 2023, and titled *"Reung Kiet Lithium Project - Mineral Management Master Plan No. 2 approved, Mining Zones declared"*). Securing the landholding will also facilitate discussions with strategic investors, completion of the feasibility study and submission of a Mining License application.

PAN ASIA METALS LIMITED

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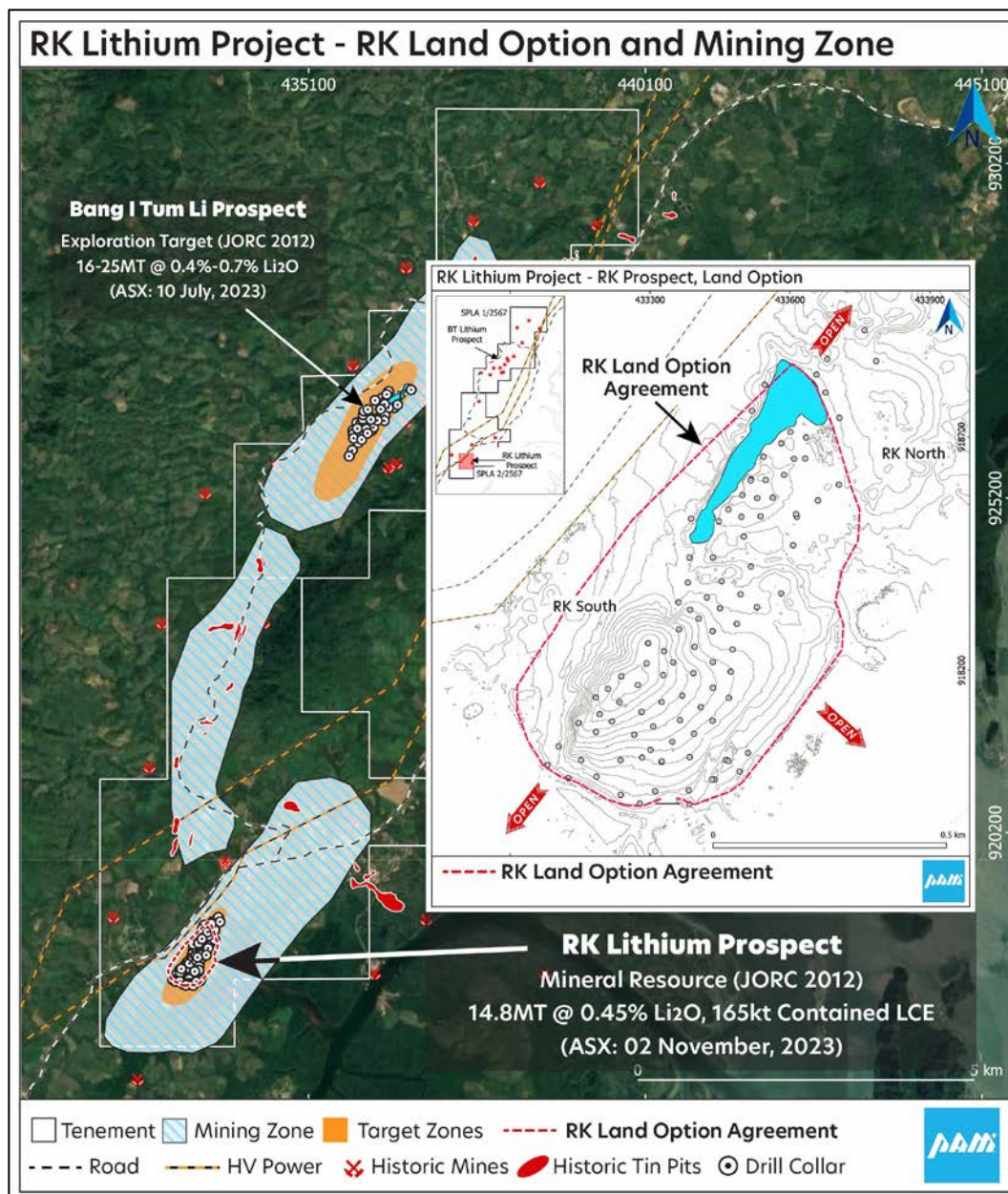


Figure 1: RK Lithium Project, Mining Zones and Land Option

Next Steps

PAM has entered into negotiations for the sale or lease of the RK Property with expectations for an outcome before year end, the Option Agreement expires on February 28, 2025.

PAM is in advanced discussions with a potential strategic partner, an Asian based lithium chemicals processor, for development of the RK Lithium Project. Successful negotiations could see a three-way agreement between the potential strategic partner, PAM and IRPC. PAM held initial meetings with the Asian based lithium chemicals processor in mid June and discussions are ongoing.



PAM will continue to explore at the KT East prospect, seeking to determine the extent of the dyke swarm by geochemical sampling and mapping. Grid based soil, rock-chip sampling and geological mapping has commenced. Both BT and KT are seen as important extensions to RK. Drilling is planned to commence at KT later this year.

The Company looks forward to keeping Shareholders and the market updated on the continued progress and results obtained from the exploration program at the KT prospect and other activities related to the Company's ongoing evaluation activities of its lithium properties in Thailand.

Option Agreement Terms

The terms of the Option Agreement are:

Payment 1: 3.5M Baht (~A\$143,000), Paid
Payment 2: 3.0M Baht (~A\$122,500), by 01 October, 2024
Payment 3: 3.5M Baht (~A\$143,000), by 31 December, 2024
Option Expiry: 28 February, 2025

Option payments will be offset against the final Lease or Sale Agreement terms.

Ends
Authorised by:
Board of Directors



ABOUT PAN ASIA METALS LIMITED (ASX:PAM)

Pan Asia Metals Limited is the only publicly traded battery materials company with lithium projects in South-East Asia and South America, and with agreements with key battery and chemical producers in the Asian region to produce advanced battery chemicals.

PAM's Asian assets are strategically located in Thailand – the largest vehicle producer in the region. With Asia accounting for more than half of the global annual vehicle production, PAM is uniquely positioned to capitalize on the soaring demand for battery minerals in the region. PAM's South American assets are strategically located in the Atacama region of Chile, it is one of South America's largest and most strategically positioned lithium brine projects, situated at an altitude of 800-1100m with all necessary transport and energy infrastructure and only 75km from Iquique, a well-equipped coastal city with a population of 200,000, a deep water bulk and container port, and regular flights to Santiago.

PAM's dedication to producing innovative, high-value products with a minimal carbon footprint makes us an ideal partner for meeting our needs in both battery chemicals and sustainable energy. PAM is also a respected local company, with a strategy focused on developing an integrated supply chain to cost-effectively deliver relevant and in-demand products to the Li-ion battery market.

PAM is rapidly advancing its lithium projects through to feasibility and plans to expand its global lithium resource sustainably through its extensive holdings in Asia and South America.

To learn more, please visit: www.panasiametals.com

Stay up to date with the latest news by connecting with PAM on [LinkedIn](#) and [Twitter](#).

For Investor & Media Enquiries, reach out to:

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Competent Persons Statement

The information in this report that relates to Mineral Resources is based on information compiled by Ms Millicent Canisius and Mr Anthony Wesson, both full-time employees of CSA Global. Mr Anthony Wesson is a Fellow and Chartered Professional of the Australasian Institute of Mining and Metallurgy and Ms Millicent Canisius is a Member of the Australasian Institute of Mining and Metallurgy. Mr Anthony Wesson and Ms Millicent Canisius have sufficient experience, relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking, to qualify as Competent Persons as defined in the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Anthony Wesson and Ms Millicent Canisius consent to the disclosure of the information in this report in the form and context in which it appears.

The information in this report that relates to Exploration Targets and Exploration Results, is based on information compiled by Mr. David Hobby, is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Hobby is a full time employee, Director and Shareholder of Pan Asia Metals Limited. Mr. Hobby has sufficient experience, relevant to the style of mineralisation 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 (JORC Code). 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

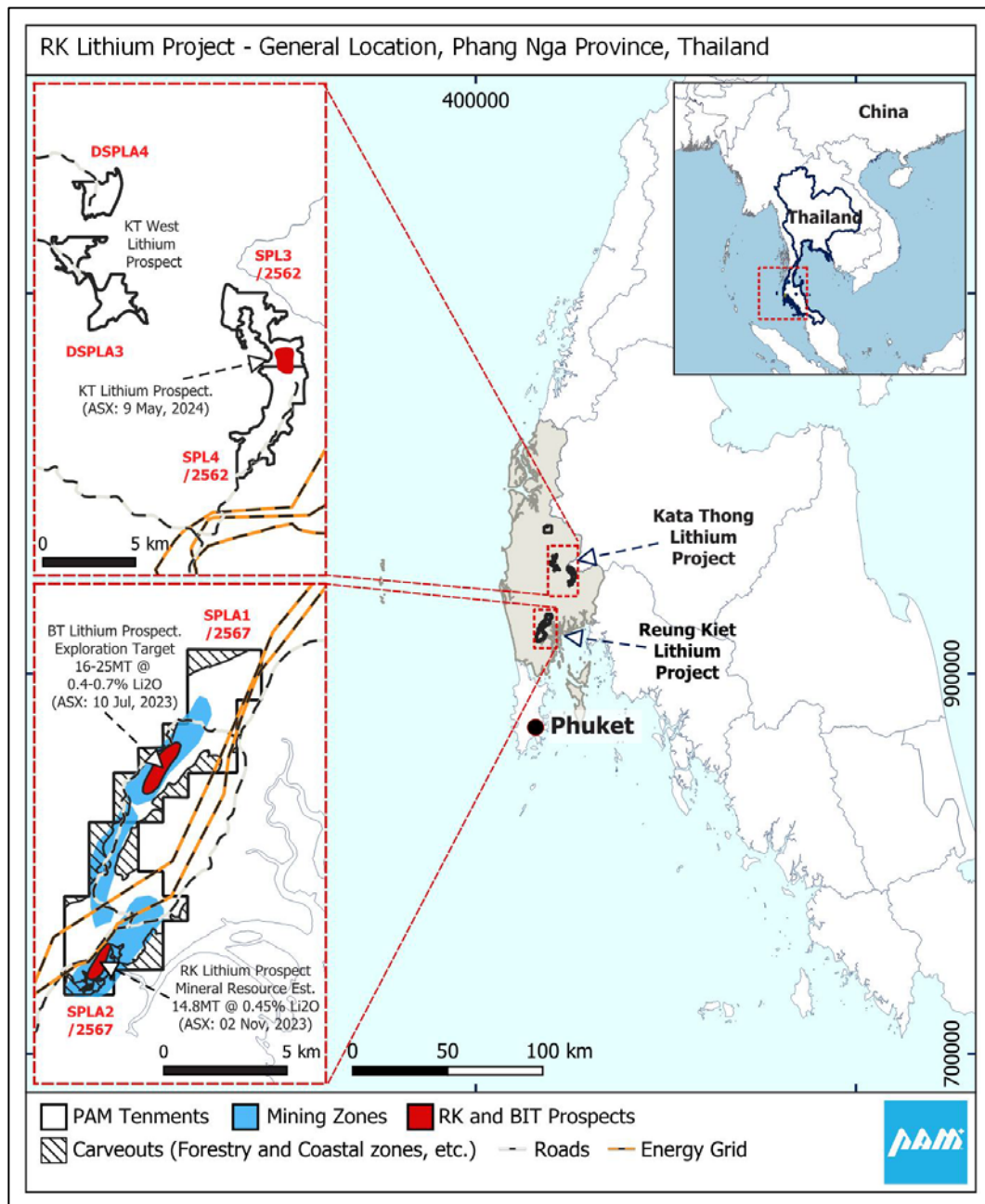
Various statements in this document constitute statements relating to intentions, future acts and events which are generally classified as “forward looking statements”. These forward looking statements are not guarantees or predictions of future performance and involve known and unknown risks, uncertainties 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 - RK Lithium Project

The RK Lithium Project ('RKLP'), inclusive of the RK Lithium Prospect (RK), the BT Lithium Prospect (BT), KT East Lithium Prospect (KT East) and the KT West Lithium Prospect under application, is one of PAM's key assets. RKLP is a hard rock lithium project with lithium hosted in lepidolite/muscovite rich pegmatites chiefly composed of quartz, feldspar, lepidolite and muscovite both lithium bearing micas, with minor cassiterite and tantalite as well as other accessory minerals. Previous open pit mining extracting tin from the weathered pegmatites was conducted into the early 1970's.



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



Provincial Map: RK Lithium Project, PhangNga Province Southern Thailand

RK Lithium Prospect

The RK Lithium Prospect (RK) is located about 8km south of the BT Lithium Prospect (BT) in southern Thailand. At RK PAM has estimated a Mineral Resource Estimate of 14.8 million tonnes at a grade 0.45% Li₂O, containing 164,500 tonnes LCE. See Table 1 and PAM ASX announcement “Reung Kiet Lithium Project Mineral Resource Update” dated 2 November, 2023.

Table 1. RK Lithium Prospect – Mineral Resource at a 0.25% Li₂O cut-off (2nd November 2023)

Resource Category	Resource (Mt)	Li ₂ O %	Sn ppm	Ta ₂ O ₅ ppm	Rb %	Cs ppm	Cont. LCE
Measured	7.80	0.44	410	74	0.20	230	85,289
Indicated	3.26	0.49	349	85	0.20	261	39,375
Inferred	3.74	0.41	390	78	0.19	229	38,252
Total	14.80	0.45	391	77	0.20	237	164,500

Note: Contained LCE for individual Resource categories is subject to tonnes and grade rounding.

The RK Prospect hosts a relatively large open cut tin mine that operated into the 1970's. The old pit is about 500m long and up to 125m wide. Mining of weathered pegmatites was undertaken by open cut hydraulic methods to about 30m below surface and ceased when hard rock was intersected.

Pan Asia has identified a prospective zone over 1km long. Mineralisation remains open along strike to the north and south, with strong mineralisation particularly evident at surface and at depth in the south. PAM retains a 100% interest in RK.

BT Lithium Prospect

The BT Lithium Prospect (BT) is located about 8km north of the RK in southern Thailand. At BT PAM has estimated a drill supported Exploration Target of 16 to 25 million tonnes at a grade ranging between 0.4% to 0.7% Li₂O. See Table 2 and PAM ASX announcement “*Reung Kiet Lithium Project Exploration Target Substantially Increased*” dated 10 July, 2023.

Table 2 – BT Lithium Prospect - Exploration Target, 10th July, 2023

	Million Tonnes	Li ₂ O %	Sn %	Ta ₂ O ₅ (ppm)	Rb %	Cs (ppm)	K (%)
Lower	16.0	0.70	0.16	120	0.30	250	2.80
Upper	25.0	0.40	0.11	95	0.25	200	2.40

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.

The BT hosts a significant historic tin mine that extends for almost 2km along strike. Mining of weathered pegmatites was undertaken by open cut hydraulic methods to about 40m below surface and ceased when hard rock was intersected. PAM retains a 100% interest in BT.