PATAGONIA LITHIUM

30 October 2025

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QUARTERLY ACTIVITIES REPORT

FOR THE PERIOD ENDING 30 SEPTEMBER 2025

Patagonia Lithium Limited (**Patagonia** or **Company**) (**ASX:PL3**) presents its Quarterly Report for the three months ended 30 September 2025.

ASX:PL3
Options:PL3O

Issued capital
Shares
179,115,540
Options quoted
14,641,250 ($0.30)
Options unquoted
6,000,000

Directors
Phillip Thomas
Rick Anthon
Pablo Tarantini

Company Secretary
Jarek Kopias

Projects
Formentera/Cilon
Tomas III
Brazil Nb REE

Next Milestones
Formentera/Cilon
- well 5, 6
- Seismic survey
- Formentera MRE estimate update

Highlights

Argentina

- On 14 July 2025, the Company released an inferred and indicated Mineral Resource Estimate (MRE) of **103,000 tonnes of lithium metal** equivalent (or if multiplied by 5.323) equating to approximately **551,000 tonnes of lithium carbonate equivalent "LCE"**.
- The key indicator improvements from the January 2025 **maiden** mineral resource estimate were:
  * Lithium metal resource of 103,000 tonnes (T) increased significantly by **319%**.
  * Specific Yield increased by **248%** to **11.85%** compared to 4.78%
  * The average lithium concentration increased from 264ppm to **294ppm** an increase of **11%**.
  * **The indicated resource estimate** was computed around wells one and two and was estimated at **14,800 tonne of LCE**
  * A 100 ppm lithium (Li) cut-off grade (COG) was applied to the mineral resource estimate.
  * Three major domains were identified on basis of specific yield

Table 1. MRE with a 100 ppm Li cut-off grade (COG) applied.

June 2025 MRE above 100 mg/L Li COG ***Mineral Resource Classification***	***Sediment Volume (M m^3)***	***Specific Yield (%)***	***Brine Volume (M L)***	***Li Grade (mg/L)***	***Li Metal (kt)[3]***	***LCE (kt)4***	***Mg Grade (mg/L)***	***Mg Metal (kt)***
Indicated	*61.9*	*11.46*	*7,090.7*	*393*	*2.8*	*14.8*	*894*	*6.3*
Inferred	*2,912.5*	*11.86*	*345,521.4*	*292*	*100.9*	*536.6*	*894*	*309.0*
Total Mineral Resources	***2,974.3***	***11.85***	***352,612.1***	***294***	***103.7***	***551.4***	***894***	***315.3***

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Moorabbin VIC
3189

MRE Notes:

- *m^3 = cubic metres, L = litres, mg/L = milligrams per litre, t = tonnes, M=million.*
- *Li Metal, Lithium Carbonate Equivalent (LCE) and Magnesium (Mg) Mg Metal are rounded to the nearest 1,000 t. Extractable LCE(173,000 tonnes). Grade values are the average estimated value for the domain in the Maptek Vulcan™ Block Model.*
- *Total in-situ brine contained lithium metal.*
- *LCE = Li x 5.32.*
- *No recovery, dilution or other similar mining parameters have been applied.*
- *Although the Mineral Resources presented in this report are believed to have a reasonable expectation of being extracted economically, they are not Mineral Reserves. Estimation of Mineral Reserves requires the application of modifying factors and a minimum of a Pre-feasibility Study (PFS). The modifying factors include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social, and governmental factors.*
- *Mineral Resources that are not Ore Reserves do not have demonstrated economic viability. There is no certainty that any or all of the mineral resources can be converted into mineral reserve after application of the modifying factors.*

The WSP June 2025 MRE report made a number of recommendations which are currently being implemented:

- Additional deep diamond drilling be completed to increase geological confidence and confirm basement contacts – Formentera Well 5 and Cilon well 6 is planned as soon as a rig is secured (November 2025).
- Future sampling should be completed on regular intervals, with consistent screen/sample lengths (i.e. double packer brine sampling).
- Continue to undertake downhole geophysical surveys, specifically Borehole Magnetic Resonance (BMR) and Gamma to provide further understanding of the porosity and geological continuity of the salar.
- Develop a comprehensive geophysical investigation program (2D seismic) to delineate hydro-stratigraphy, faulting and basement contacts – this and reprocessing MT survey data is being planned. The tender for this has been accepted.

The Company has secured a rig for the well 5 drill program and then go back and complete well six at Cilon. The rig is available from early November 2025. The drill pad has been prepared for well 5. The geophysics on the location of well 5 is a significant low resistivity zone.

The Environmental Impact Statement two year anniversary is approaching and preparations are underway to submit it.

Figure 1. Well JAM 25-05 salt water drill sump holes.

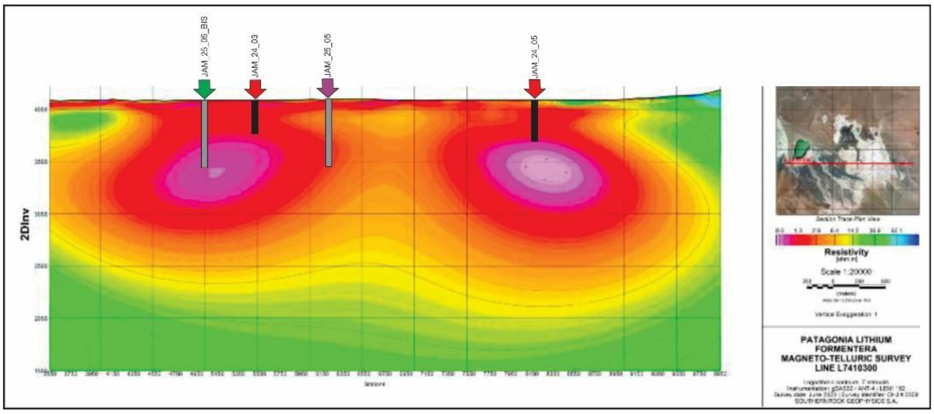

Figure 2.Survey red arrow (LHS) shows well JAM 25-05 and purple arrow is JAM 25-06 Cilon. Well JAM24-04 is on the LHS (red arrow). The green arrow location was inside the water boundary so not eligible. Black well is JAM 25-05. ASX announcement "Prospective drill targets from MT geophysics completed" 15 June 2023.

Brazil

- The Company has renewed all 25 exploration concessions it was granted for in the states of Minas Gerais, Goiás and Mato Grosso, Brazil.
- Reconnaissance work is being planned for the Goiás concessions 830164/165 as a priority.
- The rare earth elements identified are the heavy end of the lanthanides spectrum being dominated by **Holmium** used in strong magnets, lasers and as a neutron absorber in nuclear reactors, **Lutetium** used in petroleum and laser industries and **Yttrium** oxides used in high performance ceramics and medical industries.
- The spectral responses in the SW-IR satellite data requires ground truthing. The regolith images tell us what is undercover and what is outcropping.

- **Corporate**
  - Cash balance at 30 September 2025 was $2.41 million
  - A fully underwritten entitlement offer was completed on 28 August 2025 raising $2.68m.
  - Number of shares on issue are 179,115,540 and the top 20 shareholders account for 90.71% of shares on issue.

SUMMARY

EXPLORATION ACTIVITIES

Formentera/Cilon – Jujuy Province

The Company's concession covers 1,752 hectares (Has) or approx. 17.5 km^2. Cilon covers 200 Has and operated in the past as a borate mine where ulexite was mined. Sealed road access is excellent and there is a large lagoon to the west in the concession. The 52 National sealed highway runs past the project and the town of Jama is 10km away and Susques is 104km away.

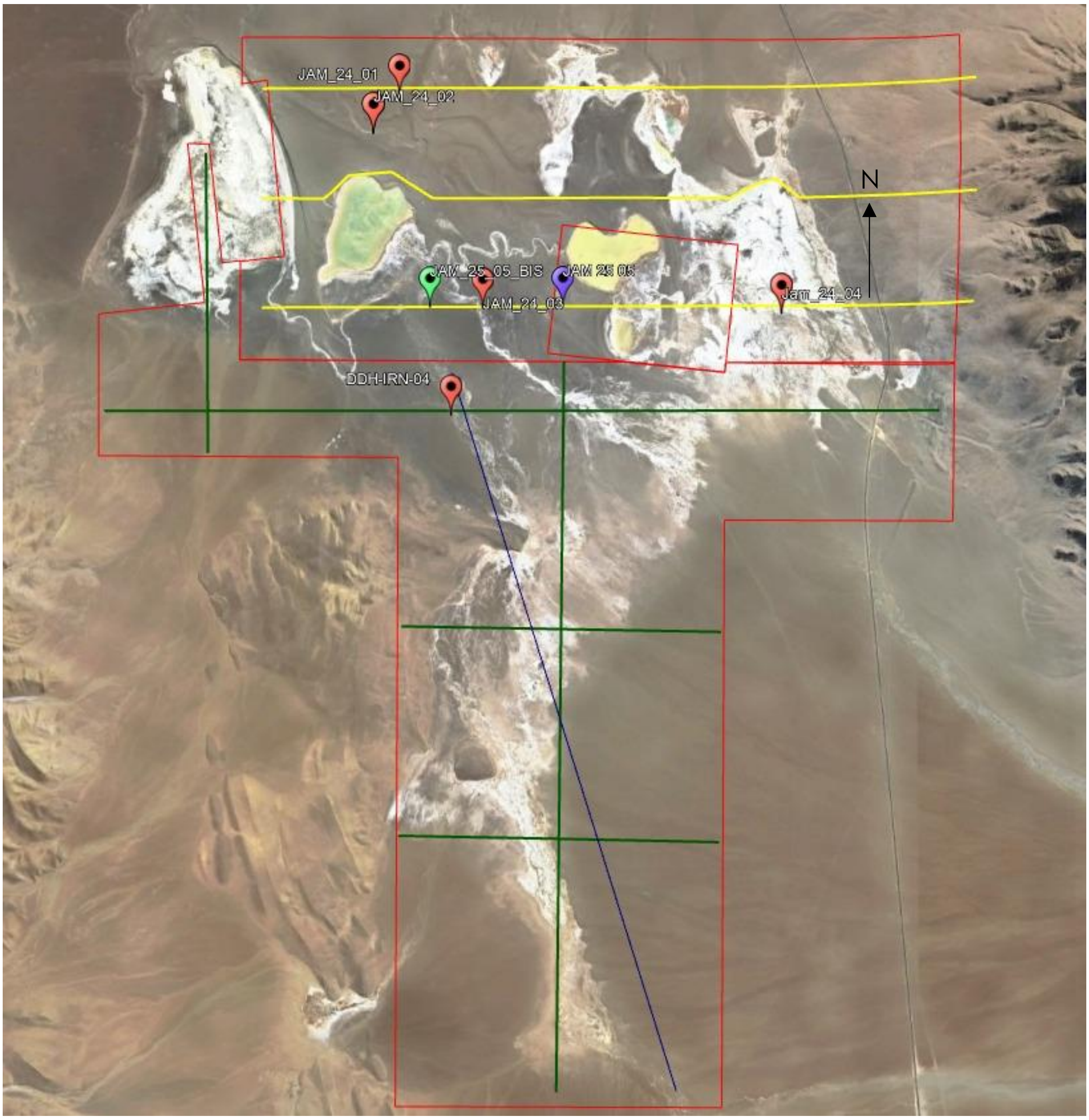

Figure 3. Shows updated plan view of completed drill holes (in red) JAM 24-01, JAM 24-02, JAM 24-03, JAM 24-04 and the fifth well JAM 24-05 (Green) and Cilon well (purple) to be drilled. *Well DDH IRN 04 is a well drilled by Integra Lithium SRL to 520m.*

Figure 4. Location of drill hole JAM-24-05 on the Formentera concession of the Paso Salar.

Figure 5. Drill rig that we will drill Formentera JAM 25-05

Exploration In Brazil

The Company continues its exploration efforts on recently granted concessions with the key focus on 830/164-165 being the area closely located to Araxá rare earth anomaly. The **Araxá** apatite-niobium deposit, that is hosted by the Barreiro carbonatite-alkaline igneous complex, is situated ~6 km south of the city of Araxá, ~300 km west of Belo Horizonte in Minas Gerais, 410 km SSE of Brasilia the national capital.

CORPORATE

The capital raising was successfully completed of $2.68m providing a solid runway for 2025-2026 exploration. The Company retains a team of two geologists and six staff covering administration, accounting, legal and engineering. The attached Appendix 5B sets out the expenditure for the quarter. The amount of $76k in exploration expenditure during the quarter was spent on drilling preparation and buying supplies. There were no exploration activities undertaken in Brazil during the quarter. The amount of $30k in item 6.1 of the Appendix 5B represents director fees paid to entities nominated by relevant directors and $5k in item 6.2 represents payments for exploration work by a director related entity.

TENEMENTS

Name	**Location - Argentina**	**File No**	**Area Has**
Formentera	Jujuy province	518 P2016	1752
Cilon	Jujuy Province	121 I 1993	199
Tomas III	Salta Province	24142	591

Location - Brazil

ID	CONCESSION	TITLE HOLDER	AREA (ha)	PHASE	DISTRICT	STATE
1	830151/2024	PI3 Brazil Mineracao Ltda	1.949,67	Granted	Ponto Dos Volantes, Monte Formoso	MG
2	830152/2024	PI3 Brazil Mineracao Ltda	1.955,16	Granted	Monte Formoso	MG
3	830153/2024	PI3 Brazil Mineracao Ltda	729,53	Granted	Monte Formoso	MG
4	830154/2024	PI3 Brazil Mineracao Ltda	1.981,26	Granted	Monte Formoso	MG
5	830155/2024	PI3 Brazil Mineracao Ltda	1.986,53	Granted	Joaíma, Monte Formoso	MG
6	830156/2024	PI3 Brazil Mineracao Ltda	1.602,09	Granted	Monte Formoso	MG
7	830157/2024	PI3 Brazil Mineracao Ltda	1.957,42	Granted	Monte Formoso	MG
8	830167/2024	PI3 Brazil Mineracao Ltda	606,89	Granted	Simonésia	MG
9	830169/2024	PI3 Brazil Mineracao Ltda	1.455,07	Granted	Santana Do Manhuaçu	MG
10	830170/2024	PI3 Brazil Mineracao Ltda	933,64	Granted	Santana Do Manhuaçu	MG
11	830171/2024	PI3 Brazil Mineracao Ltda	1.934,15	Granted	Teófilo Otoni	MG
12	830172/2024	PI3 Brazil Mineracao Ltda	1.780,24	Granted	Teófilo Otoni	MG
13	830173/2024	PI3 Brazil Mineracao Ltda	1.878,62	Granted	Teófilo Otoni	MG
14	830174/2024	PI3 Brazil Mineracao Ltda	1.971,27	Granted	Teófilo Otoni	MG
15	830176/2024	PI3 Brazil Mineracao Ltda	1.636,94	Granted	Teófilo Otoni	MG
16	830177/2024	PI3 Brazil Mineracao Ltda	1.087,78	Granted	Teófilo Otoni	MG
17	830178/2024	PI3 Brazil Mineracao Ltda	1.739,15	Granted	Água Boa	MG
18	830179/2024	PI3 Brazil Mineracao Ltda	1.913,61	Granted	Água Boa	MG
19	830.192/2024	PI3 Brazil Mineracao Ltda	1.910,28	Granted	Água Boa	MG
20	830.193/2024	PI3 Brazil Mineracao Ltda	1.910,28	Granted	Água Boa	MG
21	830.194/2024	PI3 Brazil Mineracao Ltda	1.916,94	Granted	Água Boa	MG
22	830.195/2024	PI3 Brazil Mineracao Ltda	1.684,16	Granted	Água Boa	MG
23	830.196/2024	PI3 Brazil Mineracao Ltda	1.963,49	Granted	Água Boa	MG
24	860.164/2024	PI3 Brazil Mineracao Ltda	1.997,03	Granted	Catalão e Ouvidor	GO
25	860.165/2024	PI3 Brazil Mineracao Ltda	1.265,20	Granted	Catalão e Ouvidor	GO

The Company's tenements are all 100% owned. There were no changes to tenements during the quarter.

The Company confirms it is not aware of any new information or data that materially affects the information cross referenced in this announcement and all material assumptions and technical parameters underpinning the MRE (lodged on 14 July 2025 as "Lithium Carbonate Mineral Resource increased by 319%") continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original announcements.

The January 2025 inferred MRE (announced on 22 January 2025 as "Significant Maiden Lithium Mineral Resource" is comprised of in-situ 3,816,000 tonnes of Lithium Carbonate Equivalent (LCE) based on an in-situ lithium metal resource of 717,000 tonnes defined at the Formentera Lithium Brine Project (lithium metal to lithium carbonate factor is x 5.323).

Exploration and capital raising related announcements during the September 2025 quarter (and up to the date of this report):

20/10/2025	Argentina Lithium Drilling and Brazil REE Update
26/08/2025	Results of Entitlement Offer
12/08/2025	Entitlement Offer Supplementary Prospectus
06/08/2025	Despatch of Prospectus and Letter to Ineligible Shareholders
04/08/2025	Reprocessed Geophysics Shows Deep Basement
29/07/2025	Entitlement Offer - Letter to Option holders
29/07/2025	Proposed issue of securities - PL3
29/07/2025	Fully Underwritten Entitlement Offer Prospectus
14/07/2025	Lithium Carbonate Mineral Resource Increased by 319%

Authorised for release by the Board of Patagonia Lithium Limited.

For further information please contact:
Phillip Thomas
Executive Chairman
Patagonia Lithium Ltd
E: phil@patagonialithium.com.au

Additional information is available at www.patagonialithium.com.au.

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 been granted **41,746 ha** of concessions where the company is exploring for **ionic REE clays, Niobium, Antimony and lithium in pegmatites**. The Company has been granted five exploration concession packages.

Since listing on 31 March 2023, surface sampling and MT geophysics have been completed, drill holes JAM-24-01, JAM-24-02, JAM-24-03 and JAM-24-04 completed. Progress to date has been exceptional as measured by lithium assays and pump tests. The MT Geophysics at Tomas III on Incahuasi salar is very prospective. In July 2023, a 10 drill hole drill program was approved for Formentera and a three drill hole program for Cilon. Samples as **high as 1,122 ppm Li** (2 June 2023 announcement) were recorded at Formentera and a Li value of **591 ppm in drill hole JAM-24-01** (Outstanding Assay Results from First Drilling in Argentina released on 3 May 2024). Very low resistivities were recorded to more than 1 km depth during the MT Geophysics survey at Formentera. On 14 July 2025 an upgraded Mineral Resource Estimate was released with **551,000 tonnes LCE.**

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity
Patagonia Lithium Limited

ABN	Quarter ended ("current quarter")
37 654 004 403	30 September 2025

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(42)	(147)
	(e) administration and corporate costs	(197)	(546)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(1)	(74)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other - payment of indirect tax in Argentina mainly from exploration costs	-	(316)
1.9	**Net cash from / (used in) operating activities**	**(240)**	**(1,083)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(76)	(1,808)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(76)**	**(1,808)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,687	6,253
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(47)	(118)
3.5	Proceeds from borrowings	60	140
3.6	Repayment of borrowings	(60)	(981)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**2,640**	**5,294**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	126	54
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(240)	(1,083)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(76)	(1,808)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,640	5,294

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (9 months) $A'000**
4.5	Effect of movement in exchange rates on cash held	(9)	(16)
4.6	**Cash and cash equivalents at end of period**	**2,441**	**2,441**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	441	126
5.2	Call deposits	2,000	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**2,411**	**126**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	30
6.2	Aggregate amount of payments to related parties and their associates included in item 2	5

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

6.1 Relates to payment of directors' fees.

6.2 Relates to payments for exploration work by a director related entity.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	**-**	**-**
7.5	**Unused financing facilities available at quarter end**		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	All borrowings and convertible notes were repaid during the quarter.		

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(240)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(76)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(316)
8.4	Cash and cash equivalents at quarter end (item 4.6)	2,441
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	2,441
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	7.7

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 30 October 2025

Authorised by: Phillip Thomas

Executive Chairman
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.