ASX: AS2

ASX ANNOUNCEMENT | 22 June 2023

EXTENSIVE EXPLORATION UPDATE ACROSS ASKARI'S AUSTRALIAN LITHIUM, REE AND GOLD PROJECTS

HIGHLIGHTS

- **Recent field exploration program at the Hillside Lithium Project in the Tambourah District of WA has identified several potentially spodumene-bearing lithium hosted pegmatites**
- **Soil sampling and reconnaissance campaigns completed on all Australian-based lithium, gold and Rare Earth Elements (REE) projects**
- **Field exploration and geophysical programs underway at Barrow Creek project in the NT targeting significant REE mineralisation**

Askari Metals Limited (**ASX: AS2**) ("**Askari Metals**" or "**Company**") is pleased to provide shareholders and investors with an exploration update related to recent activities undertaken across the Company's portfolio of Australian-based lithium, REE and gold projects.

Commenting on the activities being undertaken at the Australian-based lithium, REE and gold projects, Executive Director, Mr Gino D'Anna, stated:

"The Company remains very active across its portfolio of Australian-based lithium, REE and gold projects, which we continue to develop in tandem with the ongoing drilling and exploration at our flagship Uis Lithium Project in Namibia.

"Our Australian-based lithium projects, including Yarrie, Myrnas Hill and Hillside, are strategically located in world-class areas hosting large-scale commercial lithium mining operations, as well as numerous recent lithium discoveries.

"These surrounding projects demonstrate the prospective nature of Askari's Australian lithium portfolio and we will continue to fast-track exploration of these projects where possible.

"The Yarrie project continues to progress through the granting stage, which we expect to complete in July, and the Company has actively engaged with native title parties, executing access and heritage agreements where required to aid further exploration.

"Recent field exploration at the Hillside Lithium Project by Terra Search has identified a number of potentially spodumene-bearing lithium hosted pegmatites along strike of the Trigg Hill and East Curlew project areas being explored by Eastern Resources Limited (ASX:EFE).

"Our Red Peak project in the Gascoyne region has also shown its importance as an emerging REE project and we eagerly await the results of samples which have been collected from numerous follow up targets.

"This work will complement our planned work program at the Barrow Creek project in the Northern Territory, which has demonstrated high-grade TREO results, which will be followed up and expanded upon in future exploration campaigns.

"Our recent exploration work in Australia has been targeted towards identifying highly prospective areas within our portfolio to be targeted in future exploration programs. As a result, the Company has been active with a number of auger soil sampling campaigns and other reconnaissance exploration work.

"In addition to this on-ground field exploration, the Company has been working with its resource modelling consultants on the maiden JORC (2012) Mineral Resource Estimate for the Burracoppin Gold Project in Western Australia.

"Exploration work has also been undertaken at the Mt Maguire Gold project and will be commencing shortly at the Callawa Copper-Nickel project both located in Western Australia. The Company is very pleased with the work completed and looks forward to keeping our shareholders updated about the exploration programs both in Australia and Namibia."

Overview

The Company has completed several exploration programs across its Australian portfolio of lithium, REE and gold projects. This includes a mapping and sampling campaign completed by Terra Search on the recently acquired Hillside Lithium project and the completion of soil auger campaigns on several other tenements, including Red Peak, Mt Maguire and Myrnas Hill. The results of this work will help inform future exploration and development campaigns across the Company's Australian portfolio, in tandem with exploration and development of the Uis Lithium Project in Namibia.

Hillside Lithium Project, Tambourah District, Western Australia

The Hillside Lithium Project is located along strike and adjacent to Trigg Hill and East Curlew which is being explored by Eastern Resources (ASX:EFE). Exploration by EFE has identified extensive pegmatites which have been drill tested and can be clearly followed along strike into the Hillside Lithium Project. Hillside is located less than 4 km NE of Riversgold Ltd (ASX:RGL) Tambourah Project and Trek Metals Limited (ASX:TKM) Tambourah North Project, where spodumene has recently been discovered in drilling and rock sampling.

Terra Search, a specialist geological exploration consulting group, was selected to complete a detailed reconnaissance review of the Hillside project due to their extensive experience working in the local area, including the adjacent Trigg Hill and East Curlew prospect areas.

Reconnaissance activities on Hillside were completed in early June and identified several potentially spodumene-bearing lithium hosted pegmatites. Several samples were collected from these outcrops and will be sent to the lab as soon as possible. The results of the samples collected on the outcrops as

well as the geological report and interpretation from Terra Search will help the Company determine the next steps on this tenement.

Figure 1 depicts the sample locations and areas visited on the tenement.

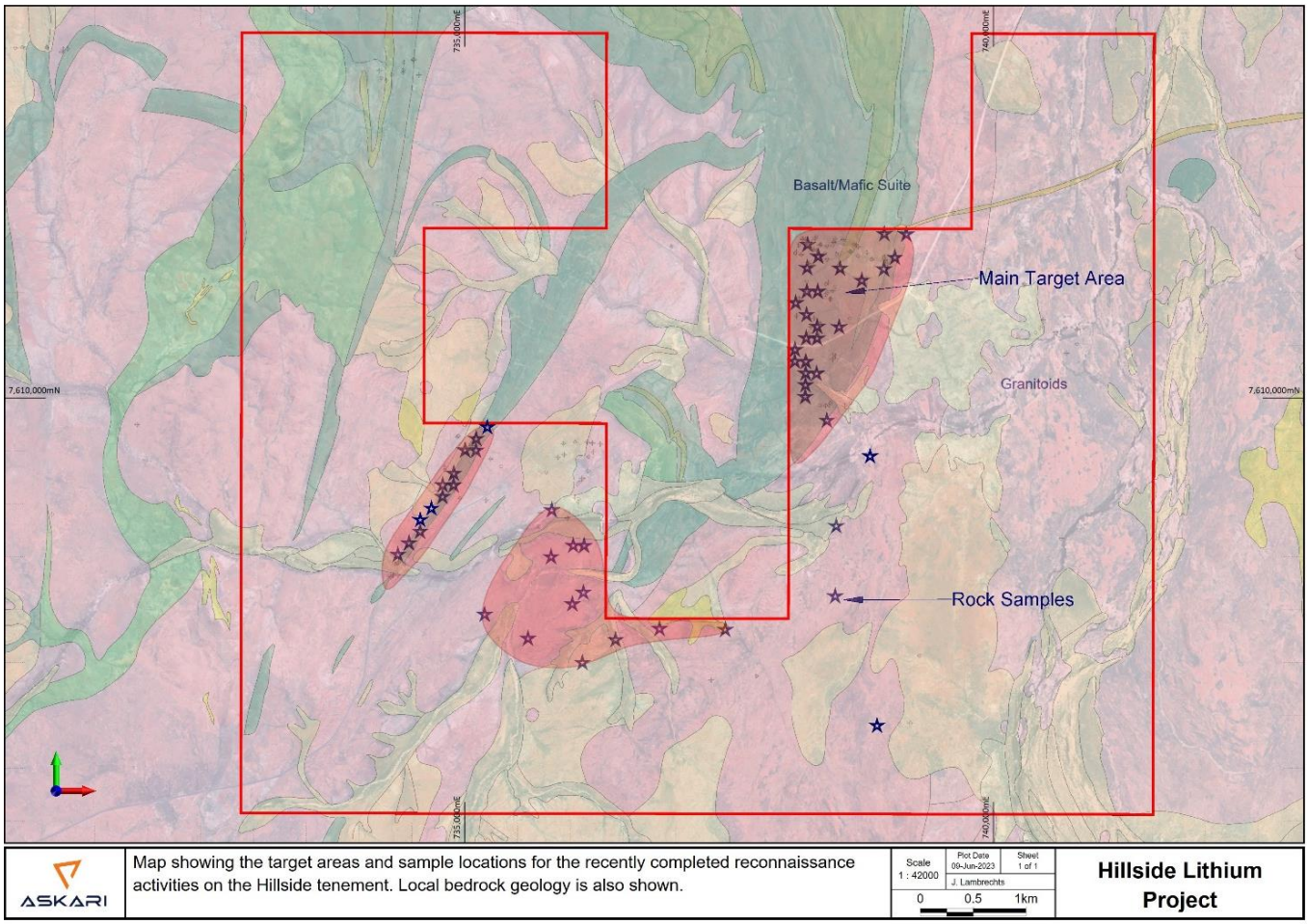

Figure 1: Map showing the sample locations and main areas visited during the recent reconnaissance work

The exploration potential of the Hillside Lithium Project is significant. The area is under-explored for lithium and never drill tested providing a significant opportunity to make a greenfield lithium discovery. The greater Tambourah area is currently a hive of activity for Lithium-Caesium-Tantalum pegmatite exploration, with multiple companies operating nearby presenting evidence of lithium mineralisation within the large pegmatite swarms at Tambourah.

Red Peak REE Project, Gascoyne Region, Western Australia

The Red Peak REE project is located approximately 15 km east of Krakatoa Resources Ltd's (ASX:KTA) Mt Clere REE project in the Gascoyne region of Western Australia.

Extensive pegmatite outcrops exist across the project area, with at least eleven pegmatites mapped across the project exhibiting strike lengths in excess of 3km and widths of between 150m and 200m. These are significant pegmatites warranting further investigation, given the fertility of the geological setting.

In 2022, the Company reviewed the WAMEX database for samples containing REE results and identified several anomalous samples. Data from rock samples collected by the Company for lithium exploration were also evaluated for REE mineralisation and showed encouraging results.

A hyperspectral remote sensing survey was conducted in the Red Peak project using Sentinel-2 satellite imagery and identified multiple exploration targets using known REE occurrences to characterise the spectral signature of potential REE indicators such as helium and talc. Figure 2 shows the helium and talc anomalism along with WAMEX sample results on the Red Peak project.

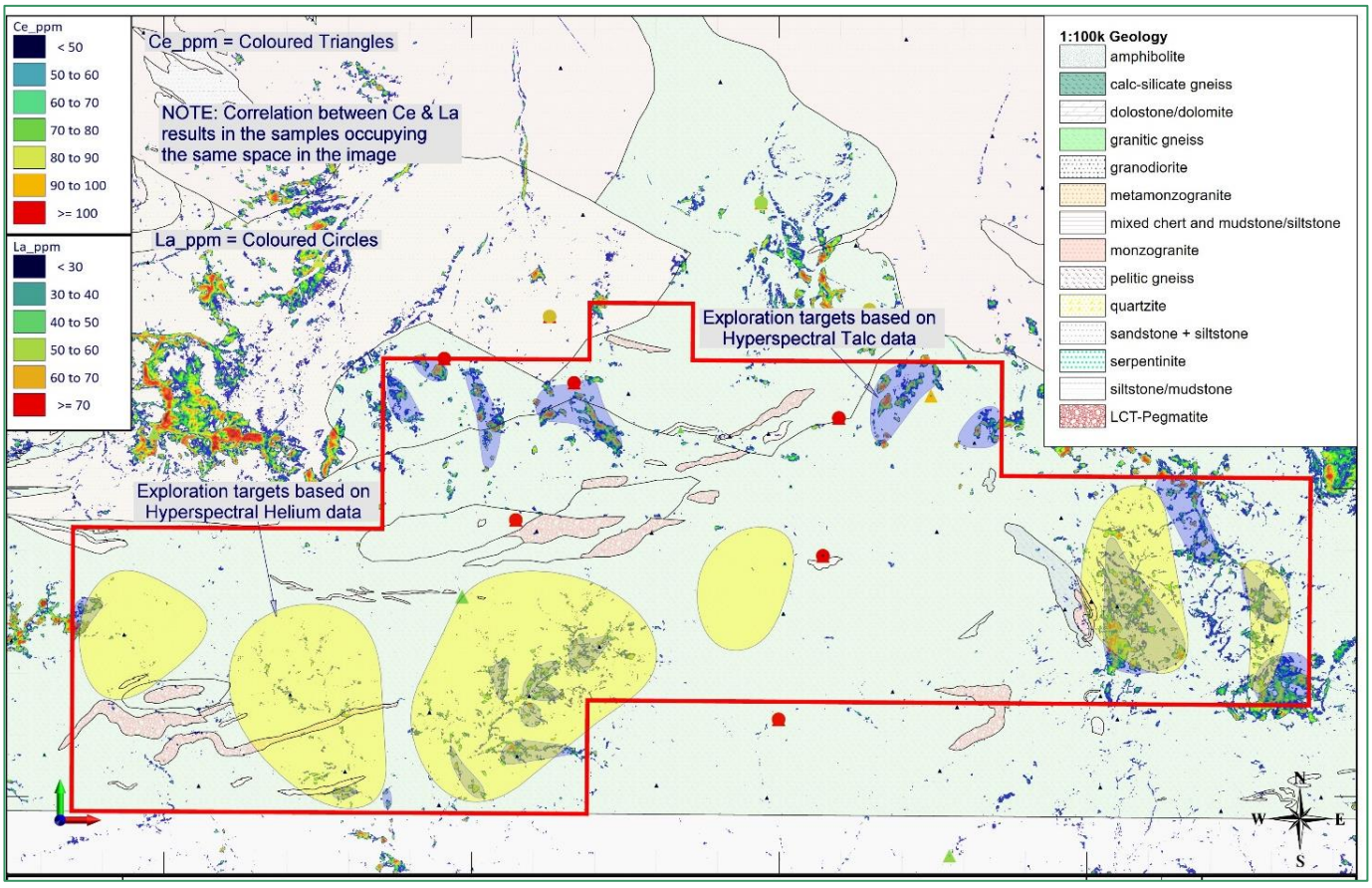

Figure 2: Temperature scale map of the Helium and Talc anomalism based on Aster Hyperspectral data, along with the WAMEX results for Lanthanum and Cerium

To test the anomalism and determine the REE exploration potential of the Red Peak project, the Company designed a wide-spaced soil sampling program consisting of 800 samples, including both soil auger (380 samples) and manual soil samples.

The auger sampling campaign is nearing completion, with the manual sampling scheduled to start in the next few weeks. Once all the samples have been collected and the assay results received, the Company will be able to start evaluating the REE potential of the tenement with high-quality local data.

Figure 3 depicts the soil auger samples that have been collected and the manual soil samples still to be completed.

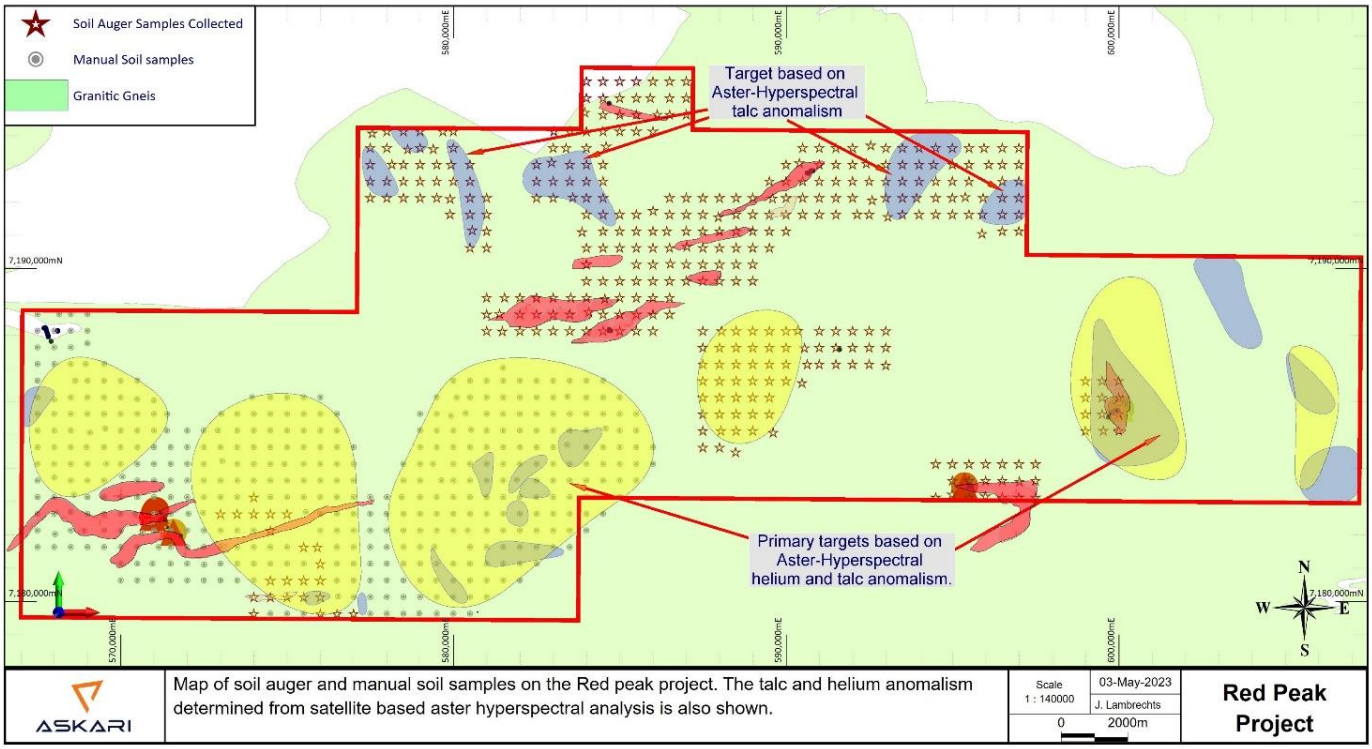

Figure 3: Map of the sample locations on the Red Peak project

The Red Peak project is considered underexplored and highly prospective for lithium mineralisation as well as REEs, base metals and uranium. Notably, several pegmatites are already identified on 1:100,000 scale geological maps. However, limited historical exploration within the tenement focused on either gold or base metals (Pb / Zn).

REEs are a group of 17 elements important for a range of applications and found in a variety of geological settings. Their unique properties make them essential for many modern technologies, and their importance is expected to grow in the future.

Examples of REE hosts include carbonatites, pegmatites, ion-adsorption clays and iron-oxide-copper-gold deposits. Extraction of REEs often requires specialised techniques and technologies due to their complex depositional environments.

Mt Maguire Gold Project, Ashburton Region, Western Australia

The Mt Maguire Gold Project, located in Western Australia, has been historically explored with extensive gold mineralisation identified in drilling including 31m @ 0.84g/t Au from 20m including 1m @ 6.74g/t Au from 25m.

Askari has only carried out limited on-ground exploration activities to date due to tenement access issues, which have recently been resolved. As a result, the Company has now completed the first soil sampling campaign as well as some geological reconnaissance on the project. The Company is also planning to progress exploration activities on the Mt Maguire project on the basis of the results obtained from the recent exploration work.

A total of 450 soil samples were collected on three prospect areas on the tenement, with the focus being the Guinness prospect in the South. This prospect has also been the target of a historical RAB drilling

program, which intersected gold mineralisation below a structure visible at the surface. The Company plans to use the soil sample results to determine the mineralisation extent of this structure and then combine this knowledge with historical data to determine future activities on this prospect. Two additional prospects to the north of Guinness have been identified through historical anomalous gold values in rock chip samples.

The Company also completed a reconnaissance visit to the Mt Maguire project and collected representative rock samples from all prospective areas. These rock results will be used in conjunction with the soil and historical results to determine the way forward. The Company is also considering a magnetic survey over the main target Guinness prospect.

The Mt Maguire Project is located along strike of Kalamazoo Resources Limited's (ASX: KZR) Ashburton Project. The Kalamazoo Project has historical production of 350,00oz Au from 1998 until 2004 and contains a mineral reserve estimate (JORC 2012) of 16.2Mt @ 2.8g/t for 1.44M oz Au *(refer to Ashburton Gold Project, WA - Kalamazoo Resources (kzr.com.au))*.

The Mt Maguire Gold Project covers an area of 42 km^2.

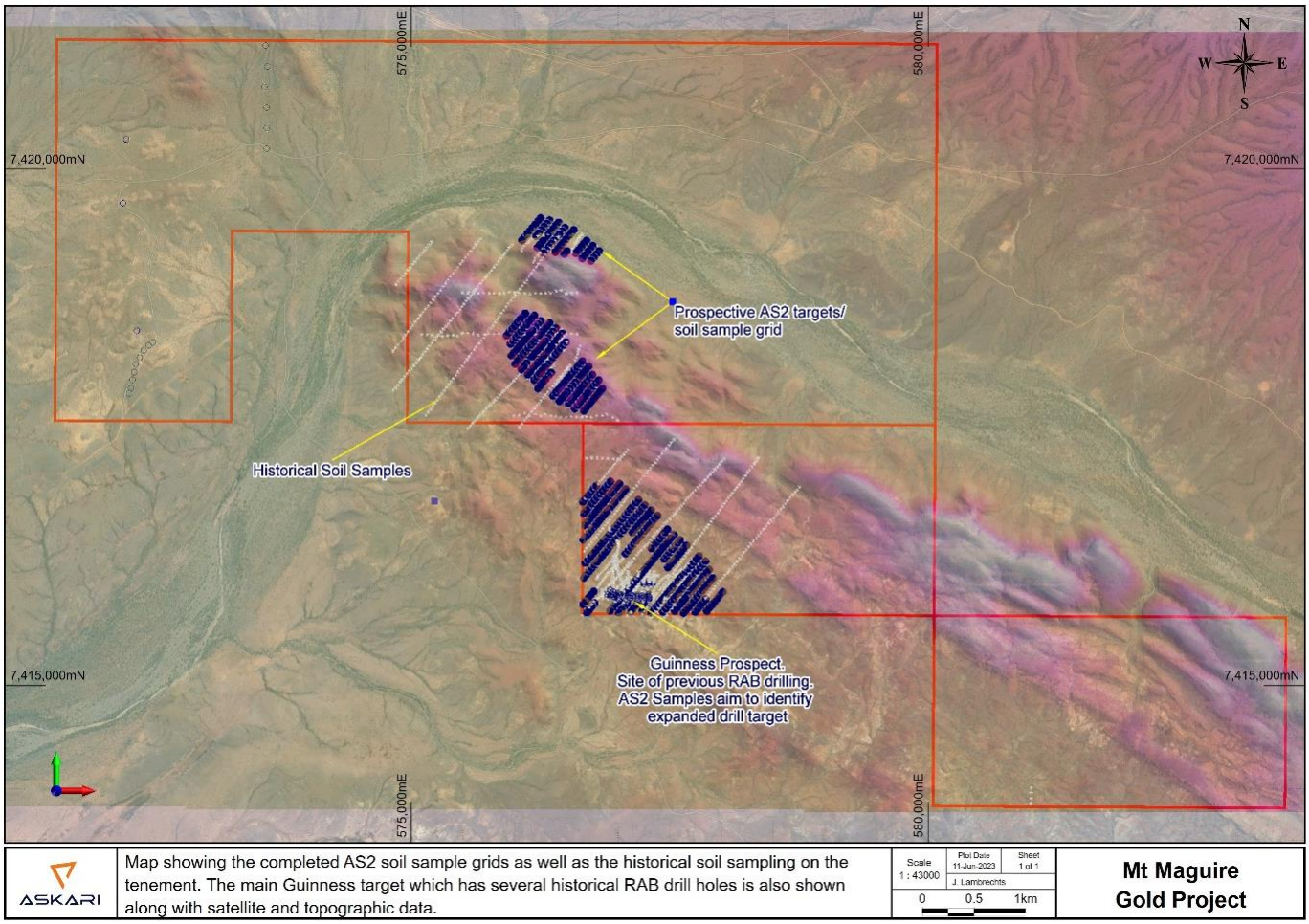

Figure 4: Map showing the sample locations of historical and recently completed work on the Mt Maguire tenement

Myrnas Hill Gold and Lithium Project, Pilbara Region, Western Australia

The Myrnas Hill Gold and Lithium Project (E45/4907) covers an area of approximately 50km^2 within Western Australia's highly prospective Pilbara region, known for delineating some of the world's largest lithium deposits.

The Myrnas Hill project boasts potential for both lithium and gold mineralisation and two separate soil sampling campaigns have been designed for the project, one completed and another ongoing.

About 280 soil samples were collected from the south and central portions of the tenement, aimed at testing the lithium potential of the project, and an additional 280 soil auger samples are planned to be collected in the near future.

The Company has also collected 124 soil samples specifically targeting gold prospects on the tenement, with the results to be reported once received by the Company.

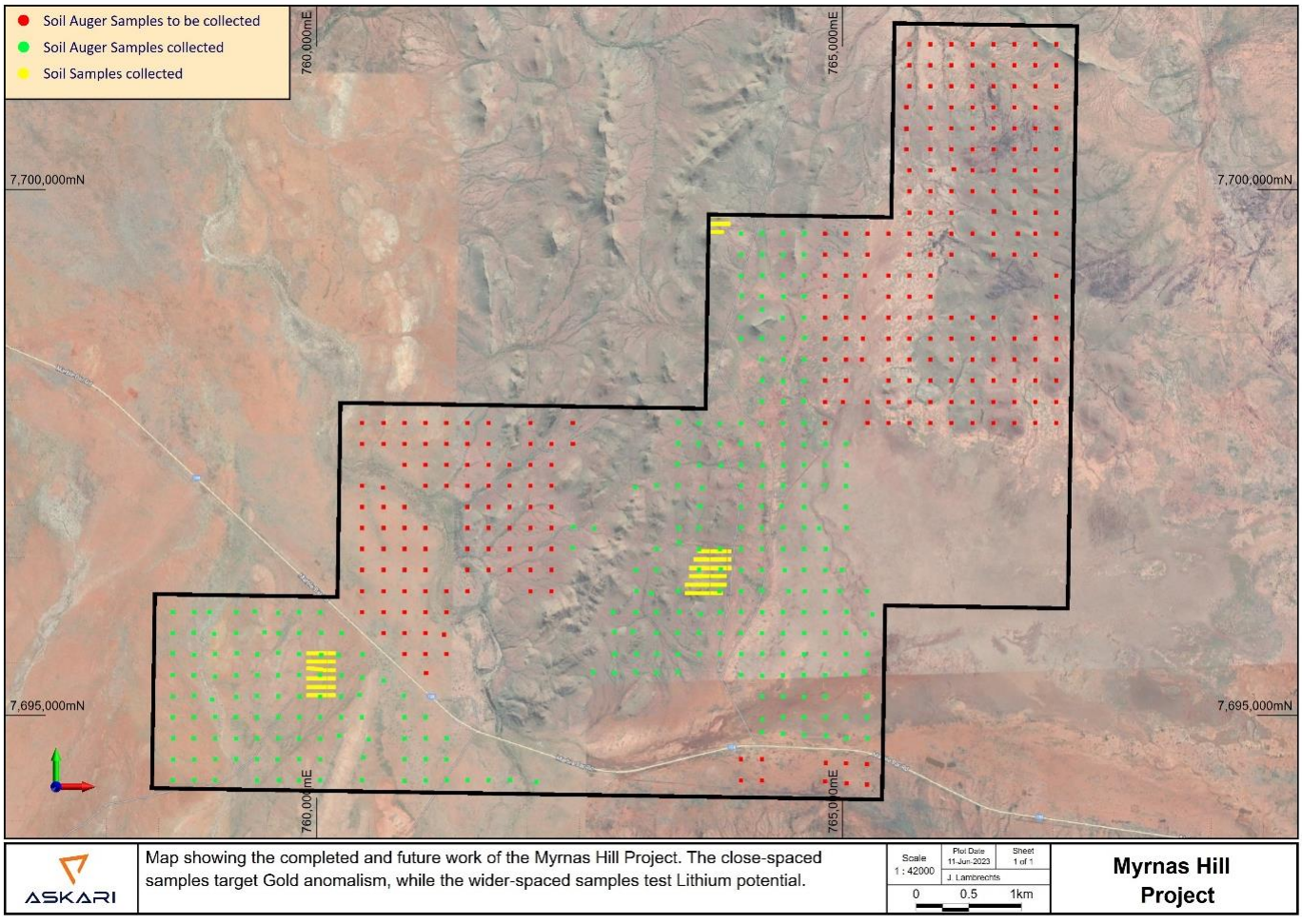

Figure 5: Map showing the sample locations for the Myrnas Hill tenement

The Myrnas Hill Project is strategically located adjacent to existing lithium projects where recent exploration success has identified broad highly anomalous soil sample results and high-grade rock chip sample results.

Callawa Copper and Nickel Project, Pilbara Region, Western Australia

The Callawa Copper and Nickel Project is strategically located at the north-eastern margin of the Pilbara Craton, where it meets the revered Paterson province in Western Australia. This part of WA has a reputation as 'elephant country' having produced the Telfer gold mine, the Nifty copper mine and more recently, Rio Tinto's 500 million tonne Winu copper discovery, which is rated as one of the world's most significant copper discoveries of the past decade.

High-grade copper was identified by the Company during an initial mapping and sampling program, with the strike remaining open in all directions, including:

- 6.78% Cu in sample AS201597
- 4.35% Cu in sample AS201665
- 2.02% Cu in sample AS201611
- 1.85% Cu in sample AS201666

Refer to ASX Announcement dated 15 November 2021.

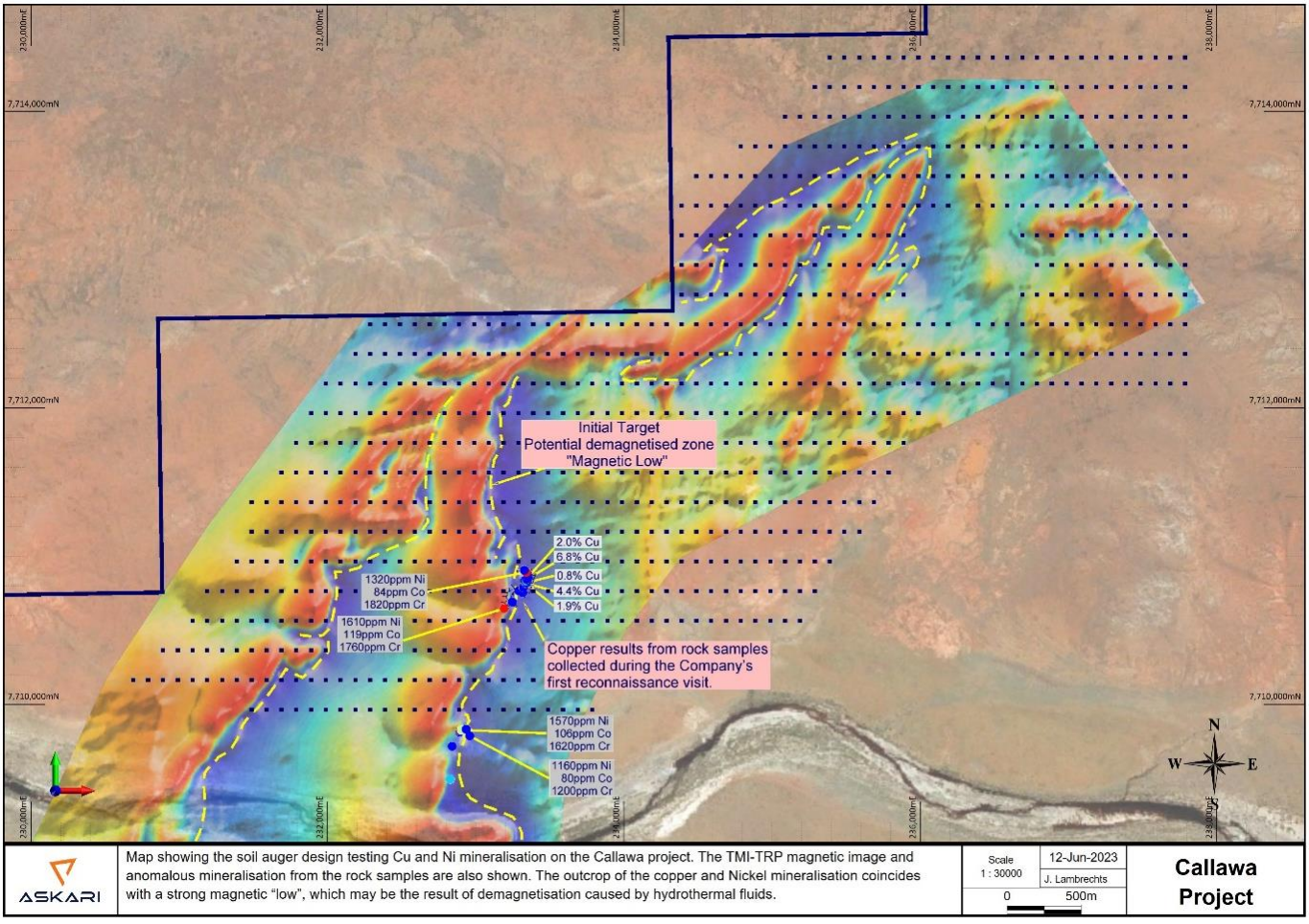

Figure 6: Map showing the planned soil auger campaign, as well as the magnetic data and the previously collected and reported results from Askari exploration activities

Work completed last year identified Nickel potential in the tenement. The Company has completed field reconnaissance visits and a high-definition magnetic survey over this prospective area, which has

highlighted structural targets potentially associated with mineralisation. Previous sampling had identified copper mineralisation above 5% copper, while the nickel potential is highlighted by results of greater than 1,000 ppm nickel with associated cobalt, chrome and copper.

Refer to ASX Announcement dated 11 October 2022.

Askari plans to carry out a soil auger campaign on the Callawa project, consisting of 800 soil samples, to test a large area associated with structures which might control both the copper and nickel mineralisation. Sample results from this campaign will help the Company determine future activities on the project.

The Callawa Copper Project covers more than 167 km^2 and overlies part of a "ring structure" that shows the hallmarks of a potential porphyry terrane.

Other Projects

Springdale Gold and Copper Project, East Lachlan Fold Belt, New South Wales

A reconnaissance visit is currently underway on the Springdale Project in New South Wales. The visit aims to investigate and identify prospective prospects and determine future activities. The Company has already collected more than 200 rock chip samples which will aid in the identification of prospective areas as well as the appropriate exploration activities required to advance them to the next phase.

The Springdale Project is situated along strike of the Junee Copper-Gold Porphyry Project held by DevEx Resources Limited (ASX:DEV) and to the east of the Temora Copper-Gold Deposits held by Sandfire Resources Limited (ASX:SFR), covering more than 30km strike of fertile volcanic and sedimentary stratigraphy.

Springdale has previously produced high-grade gold from artisanal mining with more than 30 separate workings throughout the tenement area. A reconnaissance field visit to the historical workings and other geological targets at the Springdale Project previously completed by the Company returned exceptional high-grade gold results up to 31.7g/t Au as well as 11.9 g/t Au and 11.7 g/t Au.

Coincident base metal mineralisation was also apparent in the samples with results including up to 1,100ppm Cu, 2,370ppm Zn and 5,830ppm Pb. The results also include a maximum of 1.77% Mn, 1,090ppm Co and Total Rare Earth Oxides of up to 1,222ppm TREO. Significant REE potential exists at the Springdale Project which will be followed up through future exploration campaigns.

Refer to ASX Announcement dated 13 October 2022.

FUTURE WORK

The results of the current activities will provide the basis for the design for future exploration activities across each of the individual project areas. The Company looks forward to sharing the results of the work conducted in the field with its shareholders and investors.

This announcement is authorised for release by the executive board.

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ABOUT ASKARI METALS

Askari Metals was incorporated for the primary purpose of acquiring, exploring and developing a portfolio of high-grade battery (Li + Cu) and precious (Au + Ag) metal projects across Namibia, Western Australia, Northern Territory and New South Wales. The Company has assembled an attractive portfolio of lithium, copper, gold and copper-gold exploration/mineral resource development projects in Western Australia, Northern Territory, New South Wales and Namibia.

For more information please visit: www.askarimetals.com

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This document contains forward-looking statements concerning Askari Metals Limited. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on the Company's beliefs, opinions and estimates of Askari Metals Limited as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

COMPETENT PERSONS STATEMENT

The information in this report that relates to Exploration Targets, Exploration Results or Mineral Resources is based on information compiled by Johan Lambrechts, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr. Lambrechts is a full-time employee of Askari Metals Limited, who has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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. Lambrechts consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.