



ASX Announcement | 30 April 2024

March 2024 Quarterly Activities Report

- Option Agreements signed for the purchase of ~1,200km² (~120,000Ha) of lithium brine exploration ground, resulting in the creation of the Tama Atacama Lithium Project, one of the largest lithium brine exploration projects in South America.
- Exploration Concession grants received for a total area of ~996km² (99,600Ha), of which the area under Option Agreements is ~746km² (74,600Ha), and the remainder is under MOU.
- The Chilean Government, under its 'National Lithium Strategy', released its policy framework, opening up Chile to lithium exploration. PAM has ~1,200km² of concession holdings under Option Agreement and MOU which qualify for the RFI Process.
- Drilling at the RK Lithium Project's BT Lithium Prospect confirms a pegmatite dyke swarm >1km in length and up to 300m in width, with several intersections greater than 1% Li₂O and many above 0.5% Li₂O, and several intersections up to 0.21% Sn.
- Re-applications submitted over the RK Lithium Project on the back of strong Government support and agreement from the Department of Primary Industries and Mines to fast track the process.
- PAM's Managing Director receives a strong endorsement of support from the Thai Prime Minister's Office and the Director General, Department of Primary Industry and Mines, for PAM's strategy to participate in the Thai EV and Battery supply chain through the production of lithium chemicals in partnership with leading Thai and foreign chemical companies.
- PAM entered into technical and commercial discussions with several EV, battery and/or chemical producers to discuss participation in PAM's RK Lithium and Tama Atacama Lithium projects.

Pan Asia Metals' Managing Director, Paul Lock, commenting on the Quarter said: "The March Quarter showed great progress. PAM signed option agreements creating the Tama Lithium Project in Chile, where two thirds of the Exploration Concessions have since been granted. With the Chilean Government opening up lithium exploration to private companies through the release of its RFI policy framework, 1,200km² of PAM's holdings under option and MOU qualify for submission under the RFI. PAM delivered strong drilling results for the BT Lithium Prospect during the quarter, confirming a pegmatite dyke swarm over 1km in length and up to 300m in width. The BT Lithium Prospect complements the RK Lithium Prospect, with the potential to form a medium scale low cost integrated lithium project. PAM also received strong endorsements from the Thai Government for its activities in Thailand and initiated discussions with a strategic investor, which morphed into discussions with several strategic investors, which remain ongoing. The lithium market looks to be turning and PAM is very well positioned for the next up-cycle."

PAN ASIA METALS LIMITED

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Battery and critical metals explorer and developer Pan Asia Metals Limited (ASX: PAM) ('PAM' or 'the Company') is pleased to provide this Quarterly Activities Report, summarising activities for the Quarter ending 31 March, 2024 (**Quarter**).

QUARTERLY ACTIVITY

During the Quarter PAM's two primary focus areas were:

- i. Tama Atacama Lithium Project: Transitioning the concessions package that makes up the Tama Atacama Lithium Project from application status to grant status. At Quarter end, approximately two thirds of the concession package had been granted. Discussions with service providers continue with the primary focus being on geophysics and drilling.
- ii. RK Lithium Project: Several processes are underway with potential strategic partners which are currently involved in lepidolite processing and which are situated in the bottom third of the hard rock cost curve. PAM's aim is to complete the preliminary feasibility study incorporating this expertise, which will result in a more robust outcome.

Tama Atacama Lithium Project

On 2 January, 2024, PAM announced that it had converted three MOUs it held over the Tama Atacama Lithium Project to binding Option Agreements to purchase 100% of the Project, resulting in the creation of one of the largest lithium brine exploration projects in South America. The project consists of ~1,200km² (~120,000 Hectares) across the western margin of the Pampa del Tamarugal Depression. See PAM's ASX announcement dated 2 January, 2024, and titled '*PAM signs Formal Documentation to Acquire 100% interest in ~1,200km² Tama Atacama Lithium Brine Project*'.

Subsequently, PAM announced a series of four license grants, resulting in a total area of granted Exploration Concessions under Option Agreements and MOU of ~996km² (99,600Ha). The total area under Option Agreements with granted Exploration Concessions is ~746km² (74,600Ha), the remainder is under MOU. See PAM's ASX announcements dated 12 January, 29 January, 06 February and 12 February, 2024, and titled '*Tama Atacama Lithium Project – Exploration Concessions Granted*'.

Post Quarter end, PAM announced that the Chilean Government, under its 'National Lithium Strategy' policy, released its policy framework under which a private company can make a submission for a Special Lithium Operation Contract' ('Contratos Especiales de Operación de Litio' or 'CEOL') which will permit exploration, extraction and processing of lithium by private companies. Based on this announcement, PAM has ~1,200km² of concession holdings under Option Agreement and MOU which qualify for the RFI Process (See Figure 1), with these properties identified on the basis of their prospectivity for Li brines. The first step is a 'Request for Information' (RFI) process with submissions required by the 17th of June, 2024. See PAM's ASX announcement dated 18 April, 2024, and titled '*Chile's National Lithium Strategy Advances: Private Companies can Explore for Lithium – PAM to submit 1,200km² RFI*'.

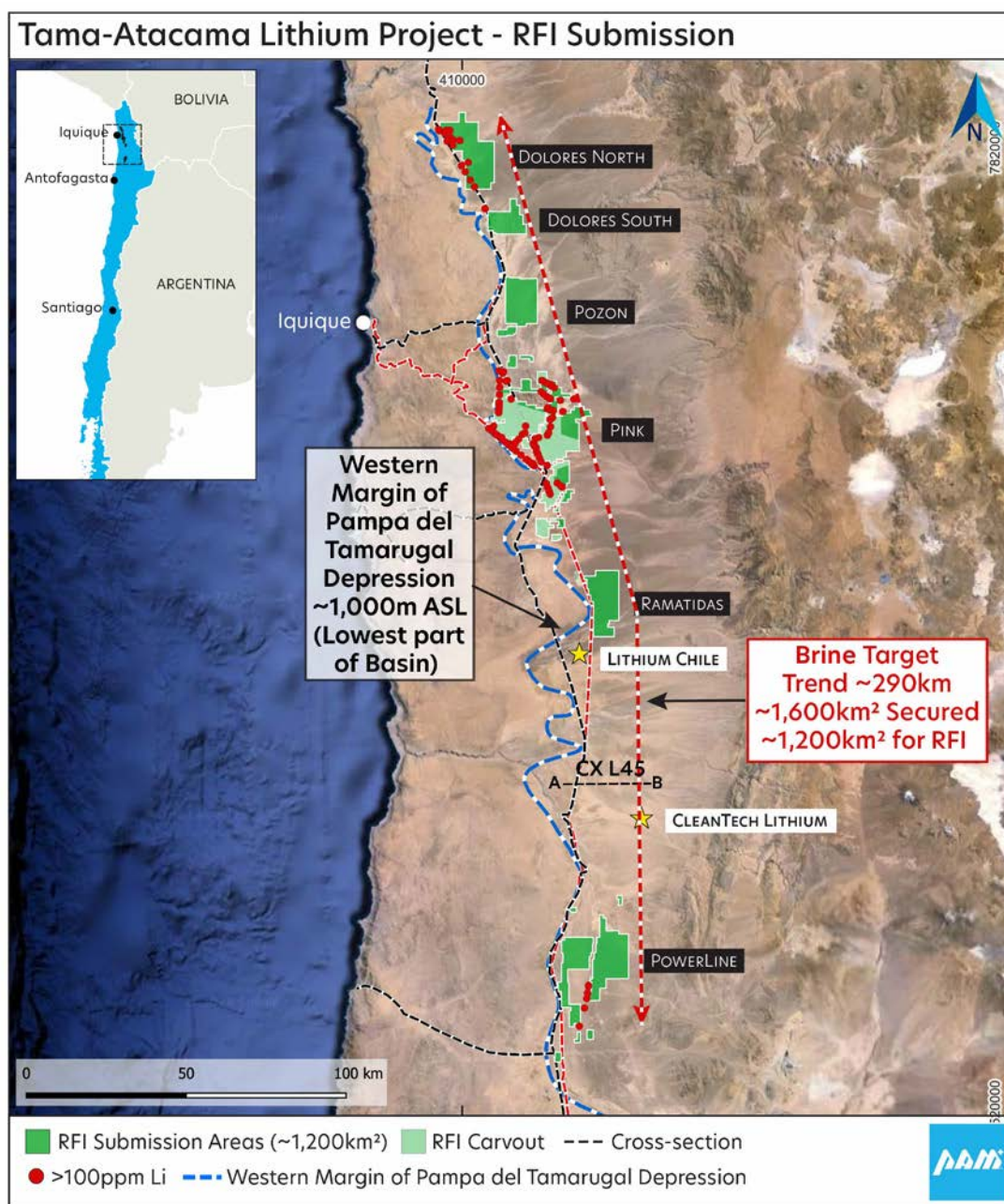


Figure 1: Tama Atacama Lithium Project – RFI Submission Areas

As outlined in Figure 1, PAM’s holdings about the western margin of the Pampa del Tamarugal Depression, which comprises the lowest section of the depression. Circa 850km² is situated in the north-western section of the Depression, which has a strike length of 170km under which a large portion is salt flat with highly anomalous Li in surface assays. The remaining 350km² is the PowerLine prospect, which is under MOU and sitting in the south-western section of the Depression.

The exploration model applied to PAMs holdings within the Pampa de Tamarugal Depression is for lithium rich brines occurring at depth across much of the basin. The presence of Salars on the western

margin of the basin with elevated lithium in the salt crusts, as well as in nearer surface brines, supports this model.

Recent work by CleanTech Lithium (AIM:CTL) has identified extensive low resistivity zones using TEM geophysics¹. The resistivity zones are interpreted to represent extensive zones of subsurface hypersaline brine. The location of the TEM line (CX L45) is about halfway between PAM’s Ramatidas and Powerline projects (see Figure 1), noting that Powerline has a suite of Li in surface assays which are highly anomalous. The results of the TEM line are shown in Figure 2, where a large low resistivity layer commences at about 200m below surface and continues to 500m below surface, and remains open. This zone is interpreted to be approximately 25km wide (east-west). CleanTech has reported historical results in the area, with salt crusts up to 3,100ppm Li and clays up to 2,400ppm Li.

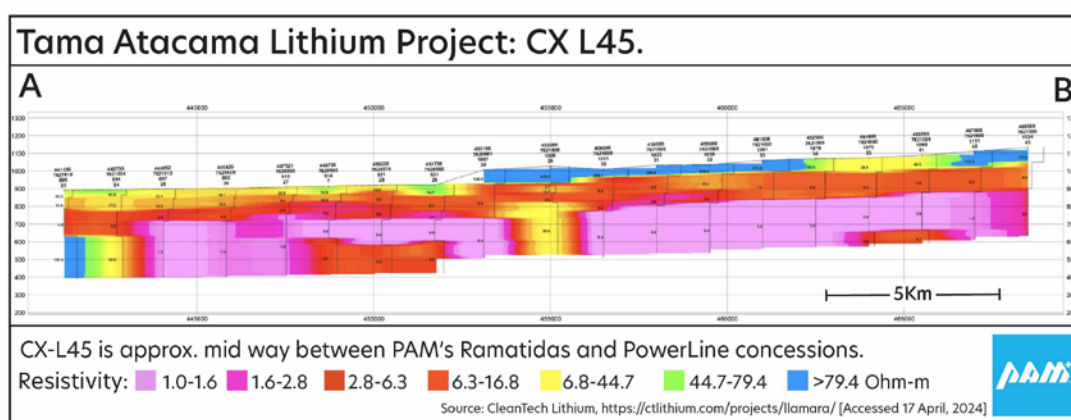


Figure 2: Tama Atacama Lithium Project – Cross-section L45 (Source: CleanTech Lithium)

Lithium Chile Inc. (TSXV:LITH) has been conducting exploration on its Salar de Llamara project² which is located west-southwest of PAM’s Ramatidas prospect (see Figure 1). Lithium Chile has reported near surface brine assays up to 350mg/L Li. In March, 2024, Lithium Chile announced that it had entered into a farm-in arrangement with the French mining multinational, Eramet, which incorporated the Llamara project³.

We note that the concession area which has been excluded from the RFI process, see Figure 1, can be explored for all other minerals and had a drilling permit granted in 2019 to previous operators. This area will be retained by PAM as a strategic holding as the policy environment may further improve under the existing government or with a change of Government in late 2025. The Option Agreement between PAM and Andes Exploration SpA, representing ~75km² of this concession area, has been paused until the earlier of 31 March, 2025, or such time that the policy adjustments occur.

With the Chilean Government’s announcement of the RFI process, PAM has started to receive increased interest in the Tama Atacama Lithium Project. With reference to the discussion below regarding the lithium price environment, PAM expects that there will be an increase in interest in lithium brine projects.

¹ <https://ctlithium.com/projects/llamara/>

² <https://lithiumchile.ca/salar-de-llamara/>

³ <https://lithiumchile.ca/wp-content/uploads/2024/03/March-5-2024-LITHIUM-CHILE-PARTNERS-WITH-MAJOR-EUROPEAN-MINING-GROUP-ERAMET-TO-EXPLORE-FOUR-OF-ITS.pdf>

RK Lithium Project Drilling Update

During the quarter the Company provided a drilling update for holes BTDD026-036 for the BT Lithium Prospect, the northern prospect of the RK Lithium Project. Thus far, drilling confirms a pegmatite dyke swarm >1km in length and up to 300m in width. The results confirmed several intersections greater than 1% Li₂O and many above 0.5% Li₂O, and of several intersections up to 0.21% Sn. See PAM's ASX announcement dated 11 January, 2024, and titled 'RK Lithium Project - Drilling Update'.

The interpretation of the results is that the pegmatite dyke and vein swarm is broadly broken into the Eastern, Main and Western Zones, see Figure 3.

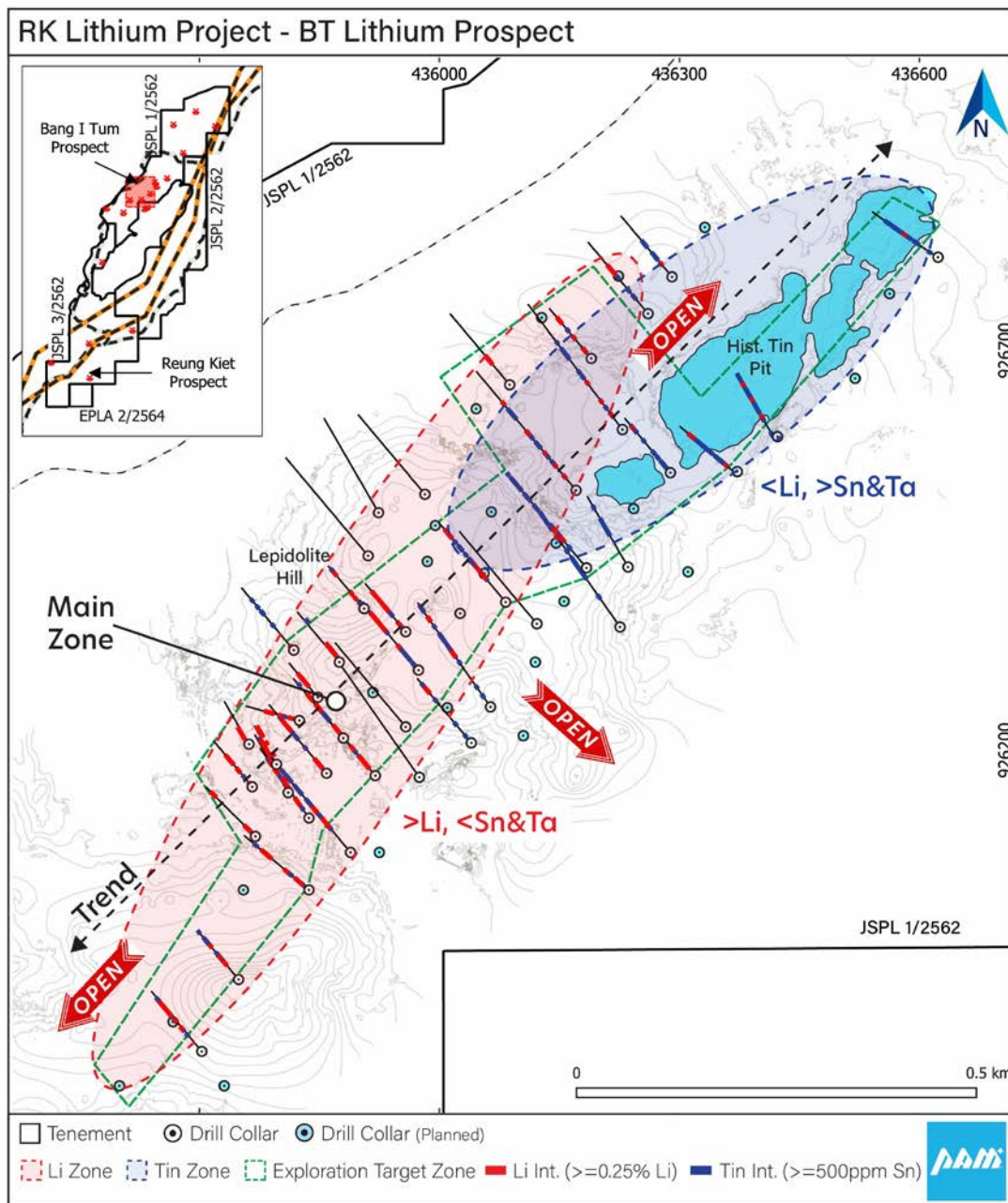


Figure 3. BT Lithium Prospect, Exploration Target Zone relative to key Lithium and Tin Zones

The Main and Eastern Zones appear to become more Li rich from south of the old pit through to Lepidolite Hill, whereas they are Sn and Ta rich to the north. The Western Zone as so far defined is also Li rich. All zones are essentially open along strike and at depth, with potential for additional mineralisation outside the defined Exploration Target.

On 22 February, 2024, PAM announced that it had successfully submitted re-applications over its RK and BT Lithium Prospects, which make up the RK Lithium Project. Re-application was on the back of strong Government support and agreement from the Department of Primary Industries and Mines (DPIM) to expedite the licensing process as PAM's RK Lithium Project forms an important aspect of Thailand's electric vehicle supply chain. The re-applications cover the Target Zones within the former SPL and current EPL holdings at both the RK and BT Lithium Prospects, and target areas remain clear of expected carveouts related to 'Watershed' and 'Conserve' classed forest zones, Class 1 through 5 marine coastal zones, and Sor Por Kor/Land Reform zones, which relate to state lands under transfer to agricultural titles. See PAM's ASX announcement dated 22 February, 2024, and titled '*RK Lithium Project – Licensing Update: Re-Applications submitted with Strong Government Support*'.

Early in the Quarter, Thailand's Minister Pimphattra Wichaikul, Ministry of Industry (MOI), said that the Department of Primary Industries and Mines (DPIM) had been tasked with speeding up the exploration of potential lithium resources in Thailand in a bid to "... build stability and prepare Thailand for becoming an EV production base ..." which is "... in line with the Industry Ministry's policy to develop a comprehensive EV supply chain." This is positive for PAM, its MOU with IRPC, and PAM's aspirations to mine lithium and produce LCE in Thailand. Further, DPIM's Deputy Director-General Aditad Vasinonta, showed support for PAM's projects, stating "... Reung Kiet and Bang I Tum – in Phang Nga province's Takua Thung district, had the potential for lithium mining ..." and "If Thailand has sufficient lithium resource, it would attract investors to set up their battery plants, as well as positive sentiment about the country's EV industry and supply chain."⁴

Later in the Quarter, Managing Director, Paul Lock, met with the Thai Prime Minister's Office and the Director General, Department of Primary Industry and Mines, to discuss the Company's RK and KT Lithium Projects and PAM's strategy to participate in Thailand's EV and Battery supply chain through the production of lithium chemicals. The Thai Government officials endorsed PAM's strategy and relayed the Government's support of PAM's plans to produce battery chemicals in partnership with leading Thai and foreign chemical and battery companies. The meetings followed an announcement that the Thai Government and Tesla⁵ are progressing discussions, furthering Thailand's strategy to lead electrification in Southeast Asia and position the Country to move from the leading vehicle manufacturer in the region to the leading EV and battery manufacturer in the region. These meetings follow the Government's public endorsement of PAM's chemical production initiatives in Thailand.

During the Quarter PAM conducted technical and commercial discussions with several leading EV, battery and chemical producers in China across two separate trips. PAM was accompanied by Hong Kong based advisory firm, Golden Dragon Capital Limited, a specialist in the Asian EV and Battery supply chain. These meetings were highly successful, there is strong interest in PAM's projects and further technical and commercial discussions are to take place with the objective of moving toward partnership/s.

⁴ "Thailand accelerates lithium exploration to become EV production hub", *The Nation*, 3 January, 2024. Available at: <https://www.nationthailand.com/thailand/economy/40034371> (Accessed 7 January, 2024).

⁵ Ghoshal, D. and Wongcha-um, P. (2024). Tesla in talks with Thailand for production facility, says government official. [online] *www.reuters.com*. Available at: <https://www.reuters.com/business/autos-transportation/tesla-has-conducted-site-survey-thailand-ev-facility-says-government-official-2024-03-04/> [Accessed 4 Mar. 2024].

Vietnamese Conversion Facility

In May 2023, the Company entered into a non-binding Memorandum of Understanding (MOU) with VinES Energy Solutions Joint Stock Company (VinES). See PAM’s ASX announcement dated 18 May, 2023, and titled ‘Pan Asia Metals and VinES sign non-binding MOU to conduct a feasibility study for a standalone Lithium Conversion Facility’.

Subsequent to the announcement, PAM embarked on and has near completed a pre-feasibility study for a standalone 25,000tpa lithium carbonate plant which uses a spodumene concentrate for its feedstock. Preliminary findings suggest such a plant would be highly competitive from both a capital and operating cost perspective.

In the current price environment, with reference to recent quarterly results being published by some spodumene concentrate producers in Australia and Canada, and on the back of discussions with LCE consumers, it is apparent that concern is building around the reliability of concentrate supply from marginal producers in a low price environment, which is influencing supply chain investment decisions.

These are matters currently under consideration by PAM and potential counterparties to the VinES MOU.

STRATEGY

PAM’s objective is to identify and develop battery and critical metals projects which have the potential to be situated in the lower third of the cost curve, are situated in low cost jurisdictions, are proximal to advanced industrial centres or emerging lithium chemical manufacturing centres, and which have the potential to generate low to zero carbon footprints, as well as position the Company for downstream value adding opportunities.

Driving PAM’s strategy is the underlying growth projections for electric vehicles and lithium:

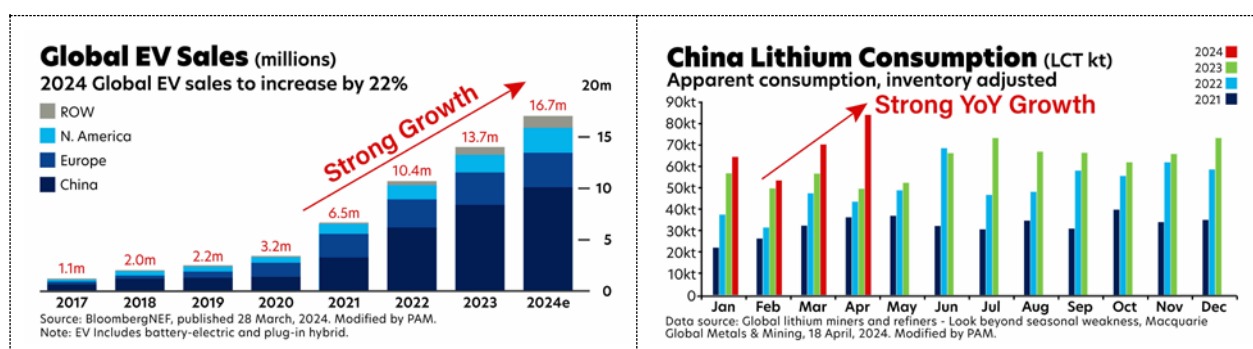


Figure 4: Global EV Sales & China Lithium Consumption

PAM’s primary objective is the development of the Tama Atacama Lithium Project, a brine style lithium exploration project located in northern Chile, and the RK Lithium Project, a lepidolite style lithium project located in southern Thailand. The following cost curve published by Macquarie Research - Metals & Mining⁶ is supportive of PAM’s strategy and projects:

⁶ Data source: Macquarie Research - Metals & Mining “Global lithium miners and refiners”, 12 Dec 2023 and 18 Apr, 2024. Modified by PAM..

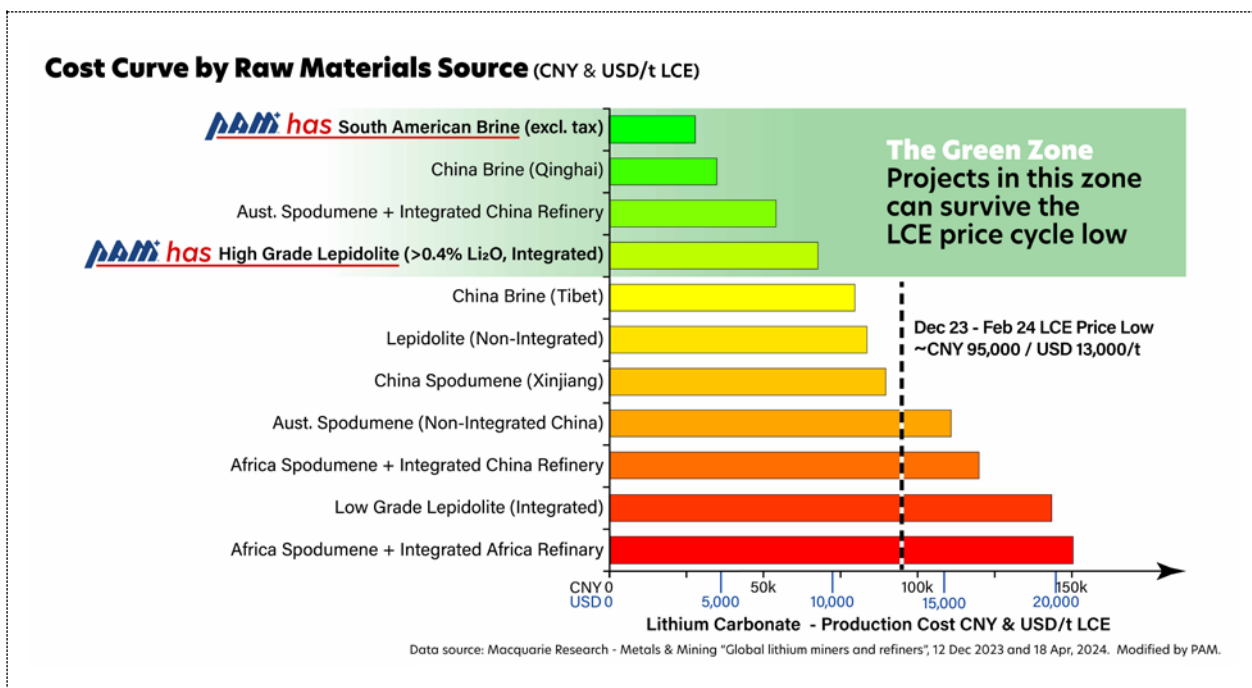


Figure 5: Global Lithium Carbonate Production Cost

What is becoming apparent is that those projects which sit in the 'Green Zone' in Figure 5 have a greater chance of maintaining strong operating margins in the price cycle lows.

Based on the original version of Figure 5, produced by Macquarie Research - Metals & Mining⁷, the estimated gross margins for those projects positioned in the Green Zone, at the price cycle low of CNY 95,000 between December 2023 and February 2024, were from 28-70%, confirming that these styles of lithium projects are more likely to remain profitable during the lithium price cycle lows:

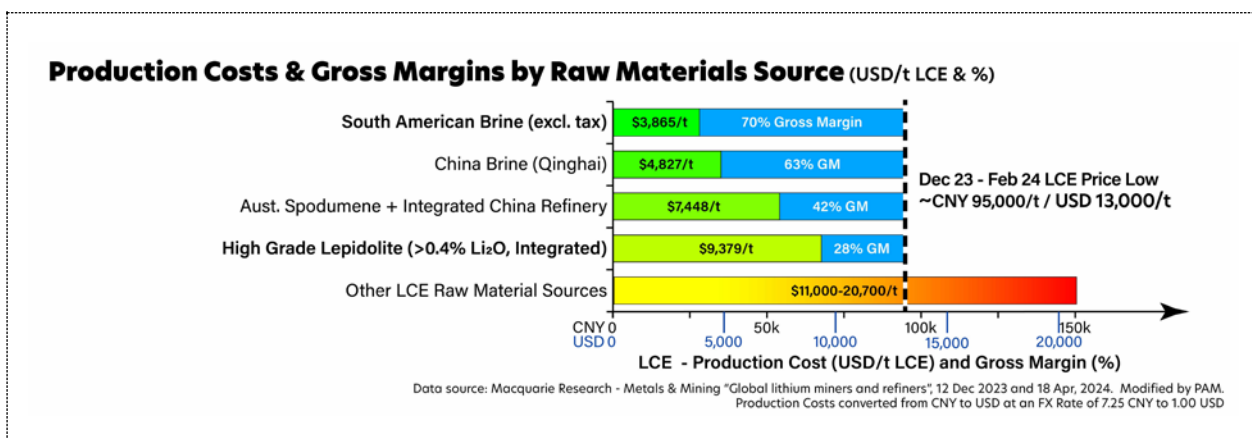


Figure 6: Global Lithium Carbonate Gross Margin Estimates

⁷ Data source: Macquarie Research - Metals & Mining "Global lithium miners and refiners", 12 Dec 2023 and 18 Apr, 2024. Modified by PAM.



The Tama Atacama Lithium Project is one of the largest lithium brine exploration projects in South America, with ~1,200km² (~120,000Ha) of optioned holdings across several salars. Extensive lithium surface anomalies with elevated lithium results up to 2,200ppm Li and averaging 700ppm Li (270ppm Li cutoff) extend over 160km north to south. Tama Atacama is a Tier 1 asset in a Tier 1 jurisdiction and PAM is already in discussions with potential strategic partners.

The RK Lithium Project is located in Southern Thailand. PAM is currently undertaking the necessary technical and economic studies required in anticipation of delivering a Pre-Feasibility Study for the production of lithium carbonate and/or lithium hydroxide. Complementing Reung Kiet, is PAM's Kata Thong Lithium Project, located 30km to the north, which is under application.

Operating in Southeast Asia gives the Company access to modern industrial economies with globally competitive cost environments, and the fastest growing and most populous region on earth. Operating in Chile positions PAM to create a large long-term, low-cost supply of lithium with potential pathways to chemical manufacturing in Chile through joint venture.

Given the growth forecasts for electric vehicles and the subsequent demand for lithium chemicals, and more recently the fall in lithium prices – a natural process of the price cycle – PAM's strategy is relevant. Simply put, PAM is positioned for low cost production.

CORPORATE

General

During the Quarter PAM raised A\$934,619 (before costs) by way of Convertible Notes (Notes) placed to new and existing sophisticated and institutional shareholders, inclusive of an additional investment of \$40,000 raised after the previously announced total. The Notes have a 12 month term and yield 16% interest. At the Noteholder's option they can be converted to ordinary shares at a price of \$0.15 per share. The Notes are redeemable at the Company's option. For details please see PAM's ASX announcement dated 28 March 2024, and titled '*Convertible Note Funding*'.

On the 30 April, 2024, Ms Supriya Sen will be stepping down as a Non Executive Director of Pan Asia Metals to pursue other interests. Ms Sen was appointed on 10 May 2022, and, during her 2 years at PAM, provided a valuable contribution based on her experience in banking and project finance. Ms Sen remains a friend of the Company and may provide consulting services in the future. We wish Ms Sen the very best in her future endeavours.

On 1 March, 2024, PAM advised that effective from 4 March, the provider of its share registry services changed to Automic Pty Ltd. For details please see PAM's ASX announcement dated 1 March 2024, and titled '*Change of Share Registry Details*'.



On 30 January, 2024, PAM announced a trading halt regarding a capital raising, and on 1 February, 2024, PAM announced that it had entered into Voluntary Suspension following continued discussions with a strategic investor, As outline herein the Voluntary Suspension was extended throughout February, March and April as discussions expanded to several strategic investors. On 18 April, 2024, PAM announced a further extension but, due to the prolonged nature of these discussions, PAM also advised that it would pursue a Private Placement to enable the Company's shares to start trading again.

There were no other material Corporate matters during the Quarter.

Finance

PAM is a US Dollar reporter and therefore its financial statements are reported in US Dollars, including its Quarterly Appendix 5B.

Cash at bank at the end of the Quarter was A\$256k (US\$167k).

PAM's expenditure during the Quarter was as follows:

Item	US\$ ('000s)	A\$ ('000s)
Cash Balance at beginning of Quarter	120	175
Staff Costs	(69)	(105)
Administration and Corporate Costs	(140)	(213)
Exploration and Evaluation	(134)	(204)
Proceeds from borrowing	31	47
Proceeds from issue of Convertible Notes	366	560
FX Movements	(7)	(4)
Cash Balance as at 31 March 2024	167	256

During the Quarter the Company made payments of US\$28k (A\$40k) to Directors of the Company towards their remuneration.

EVENTS SUBSEQUENT TO QUARTER END

Tama Atacama Lithium Project

PAM announced that the Chilean Government, under its 'National Lithium Strategy' policy, released its policy framework under which a private company can make a submission for a Special Lithium Operation Contract' ('Contratos Especiales de Operación de Litio' or 'CEOL) which will permit exploration, extraction and processing of lithium by private companies. Based on this announcement, PAM has ~1,200km² of concession holdings which qualify for the RFI Process, with these properties secured on the basis of their prospectivity for Li brines. The first step is a 'Request for Information' (RFI) process with submissions required by the 17th of June. See PAM's ASX announcement dated 18 April, 2024, and titled '*Chile's National Lithium Strategy Advances: Private Companies can Explore for Lithium - PAM to submit 1,200km² RFI*'.

**Continue Voluntary Suspension**

PAM released several notices advising that its Voluntary Suspension continues as discussions with strategic investors continue. See PAM's ASX announcements dated 04 April and 18 April, 2024, and titled '*Continued Voluntary Suspension*'.

Board Change

In this Quarterly Report it was announced that Ms Supriya Sen will be stepping down as a Non Executive Director of Pan Asia Metals to pursue other interests, effective 30 April, 2024.

Ends

Authorised by:
Board of Directors



SUMMARY OF ASX ANNOUNCEMENTS

Date	Price Sensitive	Title	Relevant Project(s)
02 Jan 2024	\$	Tama Atacama Lithium Option Agreements Signed	TALP
03 Jan 2024		Tama Atacama Lithium Presentation	TALP
08 Jan 2024		Tama Atacama and RK Lithium Update	TALP / RKLK
11 Jan 2024	\$	RK Lithium Project Drilling Update	11 Jan 2024
12 Jan 2024	\$	Tama Atacama Lithium Exploration Concession Grant	TALP
18 Jan 2024		Tama Atacama Lithium Presentation	TALP
29 Jan 2024	\$	Tama Atacama Lithium Exploration Concession Grant	TALP
30 Jan 2024	\$	Trading Halt	
31 Jan 2024	\$	Quarterly Activities/Appendix 5B Cash Flow Report	
01 Feb 2024	\$	Suspension from Quotation	
02 Feb 2024		Suspension Notice Clarification	
05 Feb 2024	\$	Tama Atacama Lithium Additional Exploration Concession Grant	TALP
05 Feb 2024	\$	Replacement Quarterly Reports	
08 Feb 2024		Continued Voluntary Suspension	
12 Feb 2024	\$	Tama Atacama Lithium Additional Exploration Concession Grant	TALP
12 Feb 2024		Tama Atacama Lithium Presentation	TALP
15 Feb 2024		Continued Voluntary Suspension	
22 Feb 2024		Continued Voluntary Suspension	
22 Feb 2024	\$	RK Lithium Project - License Re-Application	RKLK
01 Mar 2024		Change of Registry	
07 Mar 2024		Continued Suspension	
21 Mar 2024		Continued Voluntary Suspension	
28 Mar 2024	\$	Convertible Note Funding	
28 Mar 2024		Proposed issue of securities - PAM	
Announcements subsequent to Quarter end			
02 Apr 2024		Annual Report	
02 Apr 2024		Appendix 4G and Corporate Governance Statement	
04 Apr 2024		Continued Voluntary Suspension	
11 Apr 2024		Notice of Annual General Meeting/Proxy Form	
11 Apr 2024		Notice of Extraordinary General Meeting/Proxy Form	
18 Apr 2024		Continued Voluntary Suspension	
18 Apr 2024		Tama Atacama Lithium - PAM to Submit RFI for 1200km ²	TALP



TENEMENT SCHEDULE AS AT APRIL 30, 2024

Tenement / Application	Holder / Applicant	% Held	Granted	Term ⁽ⁱ⁾ (Years)	Area (Km ²)	Country
RK Lithium Project⁽ⁱⁱ⁾						
SPLA 1/2567	SIM	100	Re-application	5	20.1	Thailand
SPLA 2/2567	SIM	100	Re-application	5	22.0	Thailand
EPL 19/2565	SIM	100	01-Sep-2022	2	1.0	Thailand
KT Geothermal Lithium and Hard Rock Lithium/Tin Project						
DSPLA1	PAM2	100	Application	5	8.3	Thailand
DSPLA2	PAM2	100	Application	5	10.3	Thailand
DSPLA3	PAM2	100	Application	5	7.8	Thailand
DSPLA4	PAM2	100	Application	5	3.8	Thailand
DSPLA5	PAM2	100	Application	5	14.7	Thailand
Khao Soon Tungsten Project⁽ⁱⁱⁱ⁾						
TSPL 1/2563	TMV	100	14-May-2020	5	7.1	Thailand
TSPL 2/2563	TMV	100	20-Aug-2020	5	15.9	Thailand
TSPLA 1/2549	TMV	100	Application	5	11.0	Thailand

SIM: Siam Industrial Metal Co. Ltd.; PAM2: Pan Asia 2 Metals (Thailand) Co. Ltd.; TMV: Thai Mineral Ventures Co. Ltd. SIM, PAM2, and TMV are 100% held subsidiaries of the Company or a 100% held subsidiary of one of the Company's 100% held subsidiaries.

(i) For Application and Re-application areas, the term of 5 years will begin upon approval of the application and its conversion into a license, at which point a 'Granted' date will be provided in the above table.

(ii) The SPLA 1/2567 application area is expected to be reduced from 20.1Km² to ~14.5-16.0Km² and the SPLA2/2567 application area reduced from 22.0Km² to ~16.0-17.5Km² once expected carveouts have been applied. See PAM Asx Release titled 'RK Lithium Project - License Re-Application' and dated 22 February, 2022.

(iii) Thai Goldfields NL (TGF) will receive a A\$2m cash payment upon first WO3 concentrate production being achieved for a tungsten project on Special Prospecting Licence Application No.1/2549 (TSPLA 1/2549) or its successor title over the historic Khao Soon Tungsten Mine and a A\$2m cash payment upon first WO3 concentrate production being achieved for a project on any tenement abutting TSPLA 1/2549 or any successor title. David Docherty is a Director of Pan Asia Metals and TGF.



OPTION AGREEMENT SCHEDULE AS AT APRIL 30, 2024

Parties			
	<i>Option Agreement 1</i>	<i>Option Agreement 2</i>	<i>Option Agreement 3⁽³⁾</i>
Purchaser	Pan Asia Metals Limited through its Chilean Subsidiaries		
Vendor	Rajo Partnership	Rajo Partnership	Andes Exploration SpA
Project	Dolores North (~222km ²) Dolores South (~96km ²)	Pozon (~158km ²) Pink (~550km ²) Ramáticos (northern portion of project area, approx. ~110km ²)	25 exploration concessions (~75km ²) in Salars Bellavista and Pintados and adjacent to the Project Pink exploration concessions.
Key Commercial Terms			
Term	3 Years + 1 additional year by mutual Agreement ⁽¹⁾	3 Years + 1 additional year by mutual Agreement ⁽¹⁾	5 Years ⁽⁴⁾
Earn-in	100%	100%	100%
Management	PAM	PAM	PAM
Licensing	Meet all obligations including annual licensing payments to maintain titles in good standing		
Minimum Annual Spend	Not applicable	Not applicable	Agreement paused ⁽³⁾ To Jan 'XX: US\$120,000 To Jan 'XX: US\$420,000 To Jan 'XX: US\$1,260,000
Option Payment	Dec '24: US\$100,000 Dec '25: US\$100,000 Dec '26: US\$2,000,000 ⁽²⁾	Dec '24: US\$100,000 Dec '25: US\$100,000 Dec '26 US\$2,000,000 ⁽²⁾	Agreement paused ⁽³⁾ Jan 'XX: US\$30,000 Jan 'XX: US\$90,000 Jan 'XX: US\$180,000 Jan 'XX: US\$600,000 CEOL: US\$1,800,000 ⁽⁵⁾
Royalty	Not applicable	Not applicable	2% NSR with buyback options ⁽⁶⁾
<p>(1) By mutual agreement PAM and Rajo Partnership can extension the term of the Option Agreement by 1 year, and if extended PAM would be required to pay an additional Option Payment of US\$100,000.</p> <p>(2) PAM can exercise the US\$2 million Option Payment early, upon which no further annual payments of US\$100,000 will be payable.</p> <p>(3) The Option Agreement with Andes Exploration SpA was paused on 29 April 2024 and will remain paused until the earlier of 31 March, 2025, or such time that PAM is permitted to explore for, extract and process lithium on the block areas represented by this Option Agreement. PAM has agreed to pay the annual concession maintenance fees while the Option Agreement is paused.</p> <p>(4) The final term of the agreement with Andes Exploration SpA is subject to the award of a Special Lithium Operations Contract ('Contratos Especiales de Operación de Litio' or 'CEOL').</p> <p>(5) The final payment of US\$1,800,000 is subject to the award of a CEOL, if 54 months have passed and the CEOL is awarded, then this payment is payable, alternatively, this payment is payable within 6 months of the CEOL being awarded.</p> <p>(6) The NSR includes an option to buy back.</p> <p>a. The first 1% of the NSR can be bought back for US\$600,000.</p> <p>b. The second 1% of the NSR can be bought back with the price based on a formula related to: i. 0.5% of the NPV10 before commercial production begins and 0.75% of the NPV10 after commercial production begins, or ii. 0.5% of the Asset Sale Price before commercial production begins and 0.75% of the Asset Sale Price after commercial production begins.</p>			



CORPORATE DIRECTORY

Board of Directors

- **Paul Lock**
Executive Chairman and Managing Director
- **David Hobby**
Executive Director and Chief Geologist
- **David Docherty**
Non Executive Director
- **Thanasak Chanyapoon**
Non Executive Director
- **Supriya Sen** (Stepping Down on 30 April, 2024)
Non-Executive Director

Company Secretaries

- Ms Elissa Hansen, Australia
- Ms Fiza Alwi, Singapore

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Australian Securities Exchange (**ASX:PAM**)

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Westpac Banking Corp., Australia
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Share Registry

Automic
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Sydney NSW 2000
www.automicgroup.com.au

Website

panasiametals.com



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:

Pan Asia Metals Limited
Investor Relations &
Business Development
contactus@panasiametals.com



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.

Tama Atacama Lithium Brine Project

The Tama Atacama Lithium Project distinguishes itself as one of South America's largest and most strategically positioned lithium brine projects with ~120,000ha (~1,200km²) of granted exploration licenses or exploration license applications over which PAM has entered into binding Option Agreements to Purchase 100% of the project area. See Figure 1 and PAM ASX announcement “Tama Atacama Lithium Option Agreements Signed” dated 2nd January, 2023.

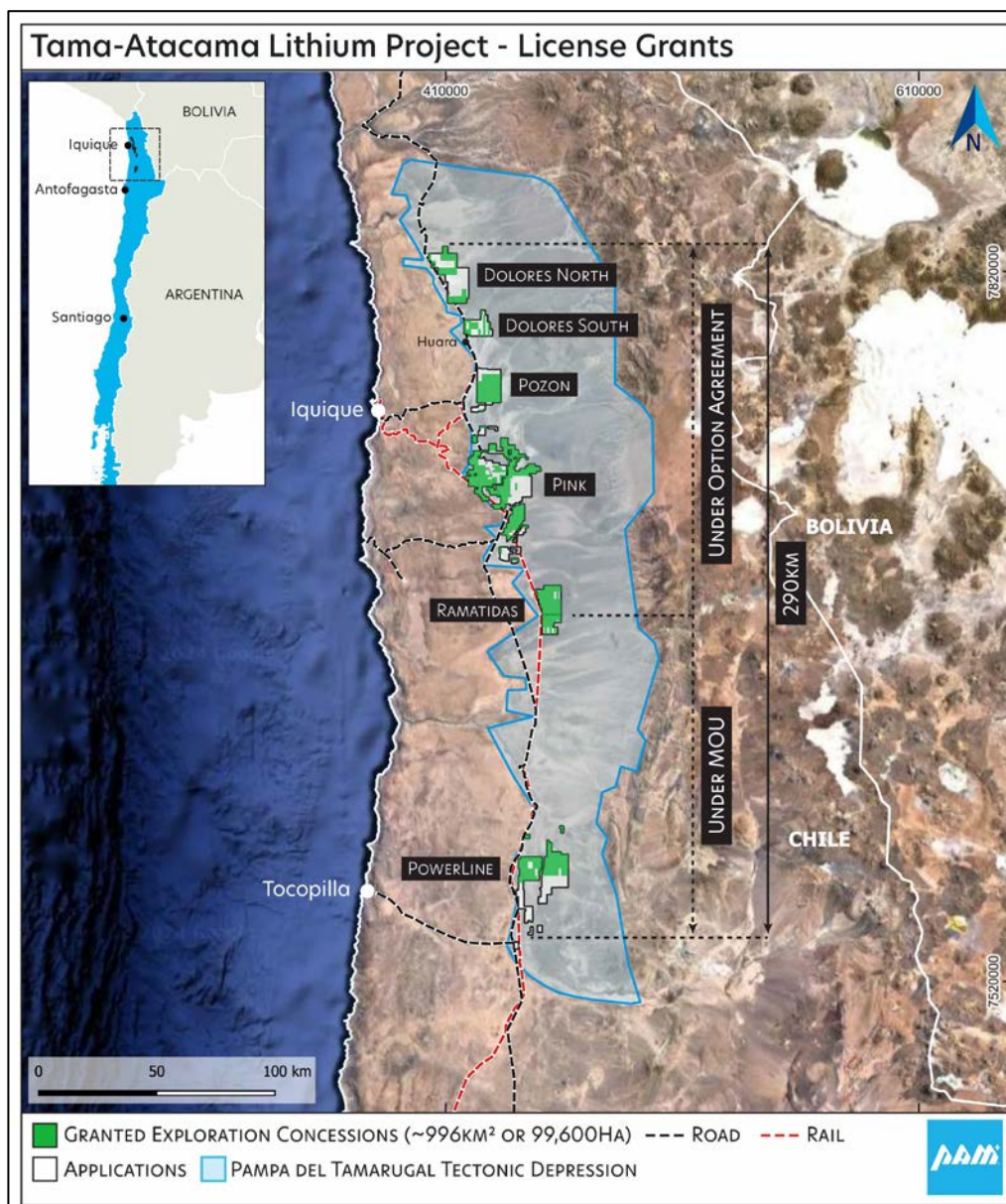


Figure 1. Tama Atacama Lithium Project: General Geography

The project sits within the 12,500km² Pampa del Tamarugal Basin, which is located in the Atacama Desert in northern Chile. Reconnaissance work suggests similar geochemical signatures to Salar de Atacama. Analysis of historical geophysics (seismic) show a very large basin up to 600m deep. Extensive lithium surface anomalies with lithium results up to 2,200ppm Li, and averaging 700ppm Li

(56/177 assays, 270ppm cutoff) extend over ~160km. The project is north of Chile's LCE refining hub in Antofagasta with substantial current and historical mining activities nearby, see Figure 2.

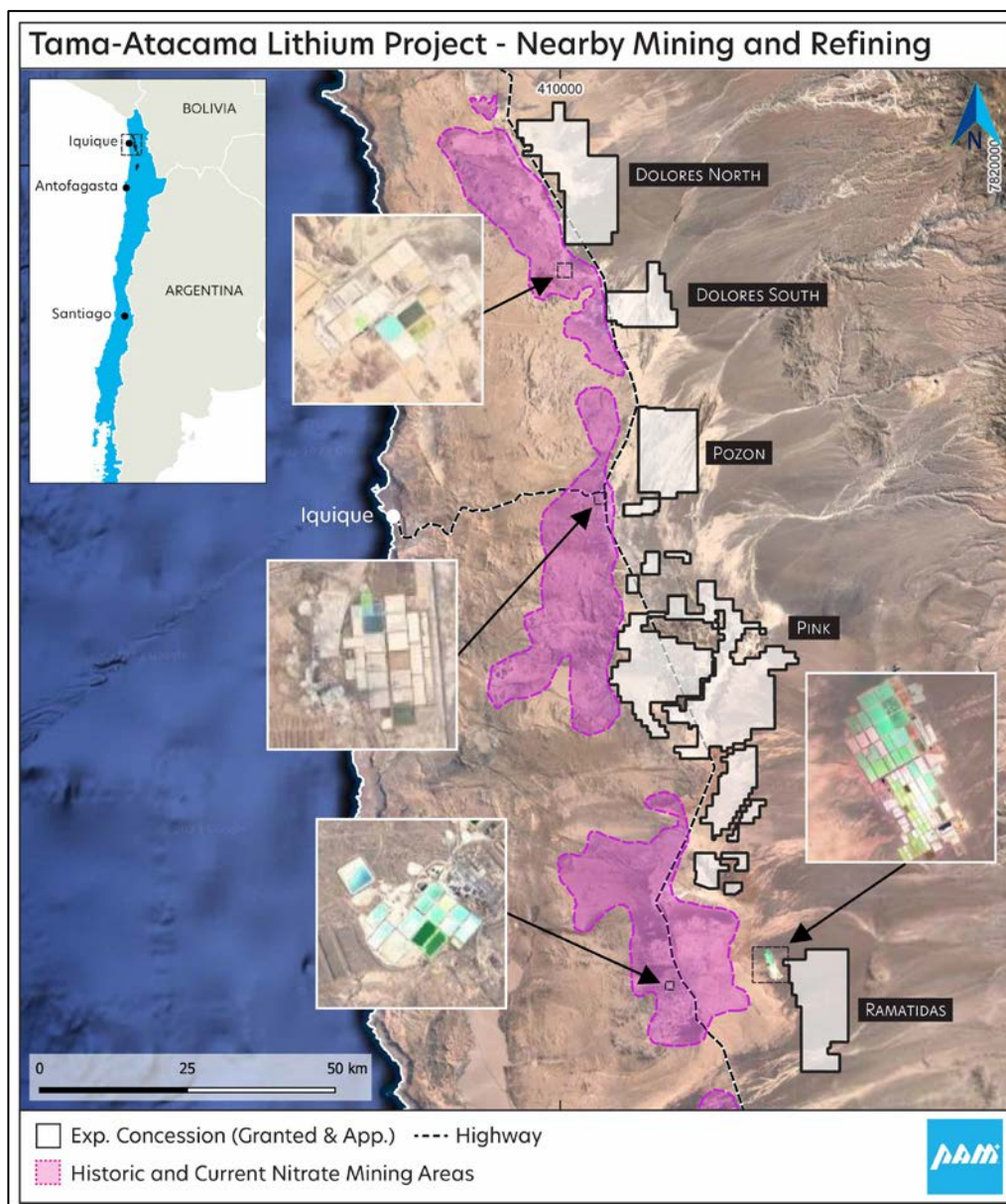


Figure 2. Tama Atacama Lithium Project: General Geography

The Project is situated at an altitude of 800-1100m, it is one of the lowest-lying lithium brine projects globally, and the project is set in a hyper-arid environment with very high evaporation rates, is well-supported with all necessary transport and energy infrastructure, and is situated 40-60km from the coast 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. Tama Atacama is only 75km from Port of Patillos, Chile's largest salt export terminal, providing PAM a potential solution for waste salt, and several pipelines pump sea water through PAM's project areas, providing a potential solution to achieving water balance.

RK Lithium Project

The RK Lithium Project ('RKLP'), inclusive of the RK Lithium Prospect (RK) and the BT Lithium Prospect (BT), 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.

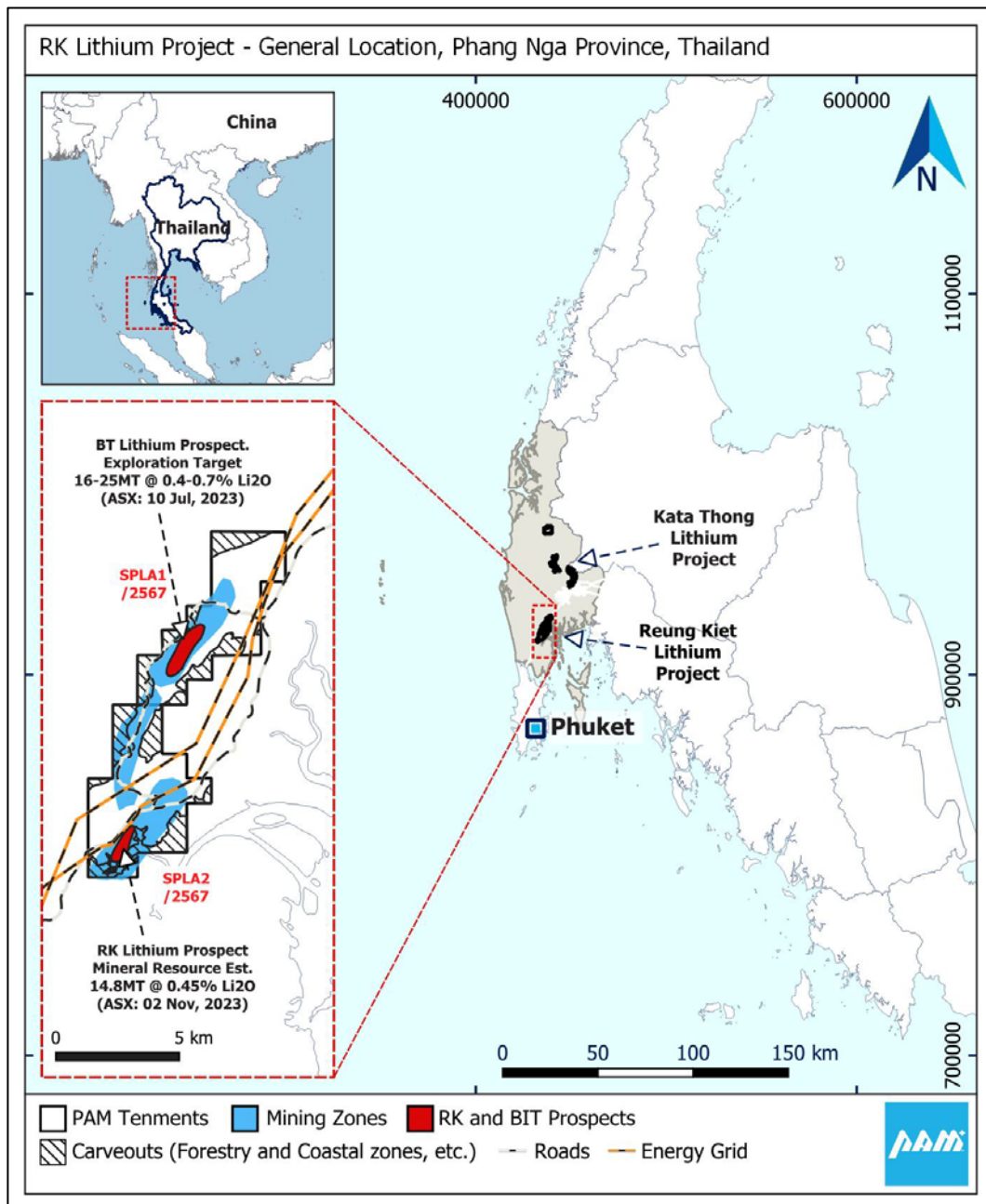


Figure 3: Regional map: Location of Phang Nga and the Reung Kiet Lithium Project



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.



APPENDIX 5B

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

Name of entity

PAN ASIA METALS LIMITED

Registration Number

201729187E

Quarter ended ("current quarter")

31 March 2024

Consolidated statement of cash flows	Current quarter \$US'000	Year to date (3 months) \$US'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	(69)	(69)
(e) administration and corporate costs	(140)	(140)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(209)	(209)

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	(134)	(134)

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (3 months) \$US'000
	(e) investments	-	-
	(f) other non-current assets	-	-
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	-	-
2.6	Net cash from / (used in) investing activities	(134)	(134)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	366	366
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	31	31
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Others	-	-
3.10	Net cash from / (used in) financing activities	397	397

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	120	120
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(209)	(209)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(134)	(134)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	397	397
4.5	Effect of movement in exchange rates on cash held	(7)	(7)
4.6	Cash and cash equivalents at end of period	167	167

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 \$US'000	Previous quarter \$US'000
5.1	Bank balances	167	120
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (Short term bonds)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	167	120

6.	Payments to related parties of the entity and their associates	Current quarter \$US'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	28
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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.

7.	Financing facilities <i>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.</i>	Total facility amount at quarter end \$US'000	Amount drawn at quarter end \$US'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.		

8.	Estimated cash available for future operating activities	\$US'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(209)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(134)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(343)
8.4	Cash and cash equivalents at quarter end (item 4.6)	167
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	167
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.49
	<i>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.</i>	
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: No. The exploration program at the RK Lithium Project has wound down and, exploration at Tama Atacama Lithium Project will start only after adequate funds have been raised.	

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: Yes. The Company has initiated a capital raising program via private placement and is also in discussions with strategic investors to participate in the raise or at a future point post the raise.

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: Yes, the capital raising process is expected to generate sufficient proceeds to fund the Company's operations for next 9-12 months.

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 April 2024

Authorised by: By the Board.....
(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.