

PAD #3 CLEARED AT PRAIRIE PROJECT

HIGHLIGHTS

- Construction of Pad #3 has been completed, and drilling will commence on Pad #3 in the coming weeks.
- Arizona Lithium is well funded with cash already received from the non-core acreage sale that raised A\$11 million in non-dilutive capital (announced 7 October 2024).
- Pad #3 will be the third pad of three pads detailed in the Preliminary Feasibility Study (PFS) released in December 2023¹, and will have a target production of 2,000 tonnes per annum (tpa) of Lithium Carbonate Equivalent (LCE).
- Having three pads cleared means that Arizona Lithium has line of sight to 6,000tpa (2,000tpa per pad).
- As detailed in the PFS, each pad has a Net Present Value (NPV) of approximately US\$150 million¹.
- Once the first three pads are constructed and producing, Arizona Lithium plans to identify a further 9 pads on its current landholding to be cleared in order to get to a total steady state production number of 24,000tpa.

Arizona Lithium Limited (ASX: AZL, AZLO, OTC: AZLAF) (“Arizona Lithium”, “AZL” or “the Company”), a company focused on the sustainable development of two large lithium development projects in North America, the Prairie Lithium Project (“**Prairie**”) and the Big Sandy Lithium Project (“**Big Sandy**”), is pleased to announce it has finished clearing the ground at Pad #3. Drilling will commence on Pad #3 in the coming weeks.

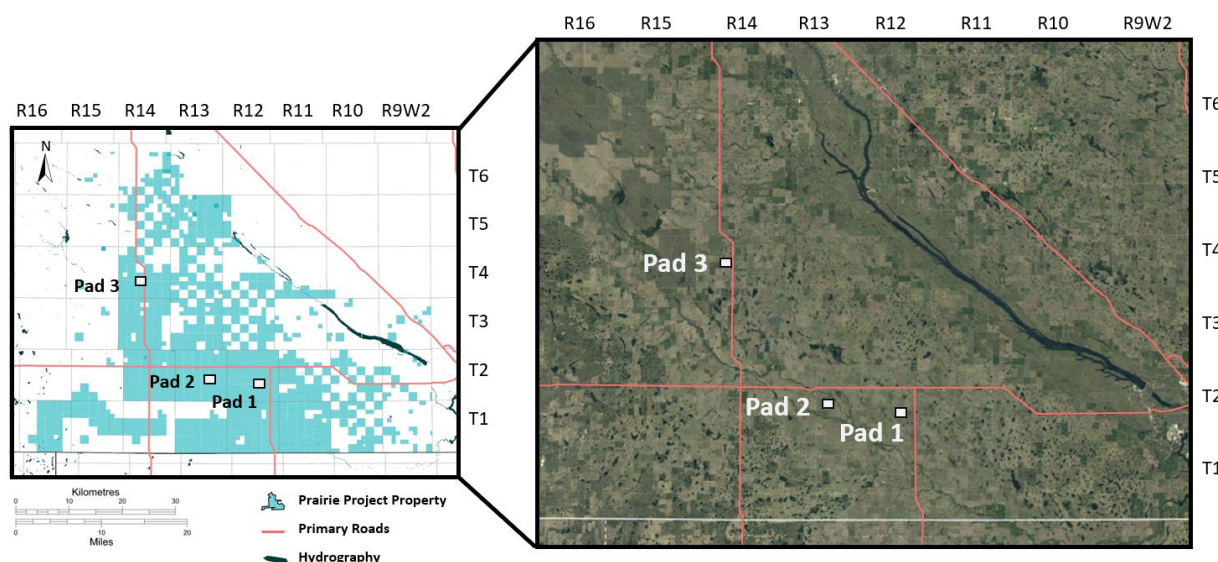


Figure 1: Pad Locations

¹ ASX Announcement – “Prairie Lithium PFS Confirms Extremely Low Operating Costs of \$2,819 USD per tonne” – 29 December 2023



Figure 2: Construction of Pad #3

A video of the clearing of the Pad can be found on the company’s website:

<https://www.arizonalithium.com/wp-content/uploads/2024/10/AZL-Pad-3-lease-building.mp4>

Arizona Lithium Managing Director, Paul Lloyd, commented: *“Having Pad #3 cleared completes our short term goal of identifying three Pad locations for lithium production. As we outlined in the PFS, we aim to produce 2,000 metric tonnes of lithium carbonate equivalent from each Pad location, and each pad has a Net Present Value of approximately US\$150 million (or A\$225 million). Having Pad #2 and Pad #3 built and initial wells drilled, significantly de-risks our scale up plan once Pad #1 is in full production. We are excited to keep progressing towards our short, medium and long term goals with the ultimate goal being 24,000tpa of LCE production. It is a win for shareholders that we are able to use funds from a non-dilutive acreage sale that raised the company US\$11 million.”*

About the Prairie Lithium Project

AZL’s Prairie Lithium Project is located in the Williston Basin of Saskatchewan, Canada, and is located in one of the world’s top mining friendly jurisdictions, the projects have easy access to key infrastructure including electricity, natural gas, fresh water, paved highways and railroads. The project also aims to have strong environmental credentials, with Arizona Lithium targeting to use less use freshwater, land and waste, aligning with the Company’s sustainable approach to lithium development.

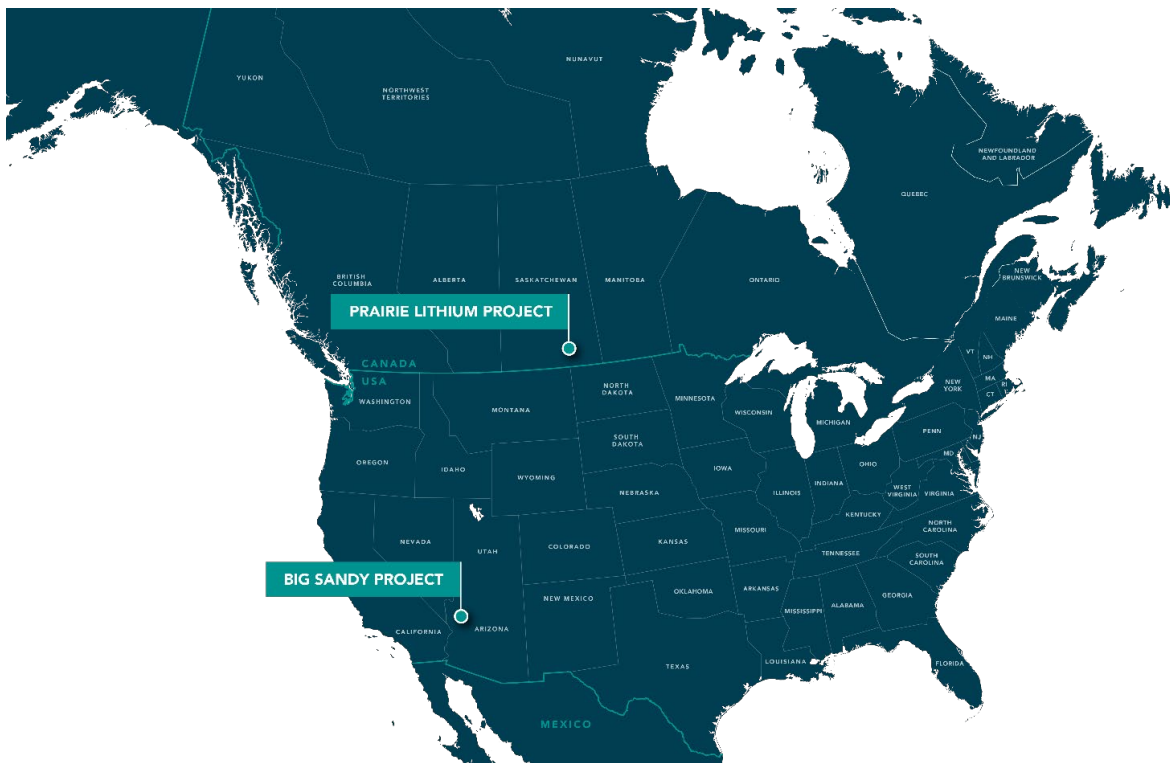


Figure 3: Location of Arizona Lithium's core projects

This ASX announcement is authorised for release by the Board.

For further information please contact:

Mr. Paul Lloyd
Managing Director
Tel. +61 419 945 395
paul@arizonalithium.com