

ASX Announcement

4 August 2025

US\$5 MILLION NON-DILUTIVE TRANSACTION CLOSED

HIGHLIGHTS

- Arizona Lithium confirms the receipt of US\$5 million (approximately A\$8 million) from Big Sandy Lithium, LLC and Advanced Lithium Research Center, LLC for the purchase of the Big Sandy Lithium Project (Big Sandy) and the Lithium Research Centre (LRC), as well as all obligations for both the Big Sandy Project and the LRC.
- Arizona Lithium's 100% focus is now on the development of the world class Prairie Lithium Project in Saskatchewan, Canada.
- The proceeds from the sale will be able to be invested into the Prairie Lithium Project that is in the development phase and therefore much closer to production.
- Arizona Lithium Managing Director Paul Lloyd, and Executive Director Zach Maurer will be delegates joining the Canadian Critical Minerals Investment Trade Mission to Japan and South Korea this month.

Arizona Lithium Limited (ASX: AZL, AZLO, OTC: AZLAF) ("Arizona Lithium", "AZL" or "the Company"), a company focused on the sustainable development of the Prairie Lithium Project ("Prairie"), is pleased to announce that it has closed the transaction and received the funds from selling the Big Sandy Lithium Project and the Lithium Research Center. The Company has raised non-dilutive cash proceeds of US\$5 million (approximately A\$8 million).

The strategic sale and non-dilutive fundraising effort, combined with a recently announced Share Purchase Plan that was oversubscribed and raised A\$4.25 million, will help to fund the development of the Prairie Lithium Project, that is now Arizona Lithium's 100% core focus.

The team at Arizona Lithium can now focus its efforts and capital on the near-term producing asset in Saskatchewan, the Prairie Lithium Project. On 19 May 2025 Arizona Lithium announced it had received approval for Phase 1 production at the Prairie Lithium Project from the Ministry of Energy and Resources in Saskatchewan. The Company looks forward to more positive news on the Prairie Lithium Project in the coming months.

Arizona Lithium Managing Director Paul Lloyd, and Executive Director Zach Maurer will be delegates joining the Canadian Critical Minerals Investment Trade Mission to Japan and South Korea this month. The Critical Minerals Investment Trade Mission is being led by Natural Resources Canada on behalf of the government of Canada. The Trade Mission includes meetings with large companies in the region as well as government officials.

Arizona Lithium Managing Director, Paul Lloyd, commented: "We are very pleased to have closed the transaction of selling the Big Sandy Lithium Project and the LRC. In doing so, the Company is in a very strong cash position, with much leaner overhead expenditures. With some upwards movement in the lithium spot price recently, the Company is very well positioned with its Prairie Lithium Project being a shovel ready project that is fully permitted for the first phase of production."

About the Prairie Lithium Project

AZL's Prairie Lithium Project is located in the Williston Basin of Saskatchewan, Canada (see Figure 1). Located in one of the world's top mining friendly jurisdictions, the project has easy access to key infrastructure including electricity, natural gas, fresh water, paved highways and railroads. The projects also aim 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.

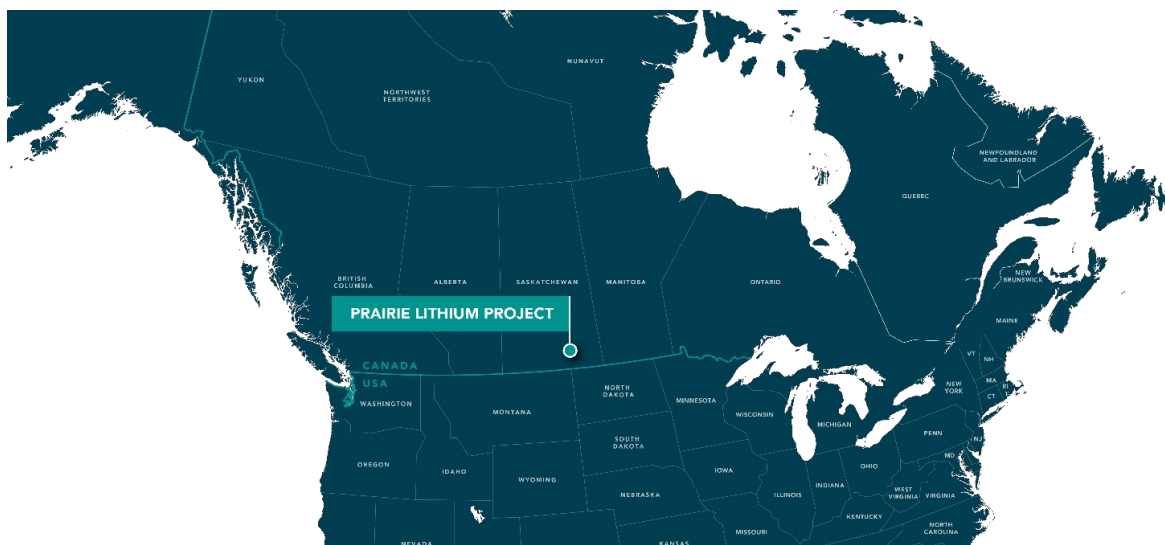


Figure 1: Location of the Prairie Lithium Project

This ASX announcement is authorised for release by the Board.

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