

MARKET ANNOUNCEMENT

Drilling Continues to Advance at Solaroz Lithium Brine Project

SUMMARY

- Lithium Energy has now largely completed the second and third holes in the initial 10 hole, 5,000m drilling programme at the Solaroz Lithium Brine Project in Argentina.
- Drilling in both holes encountered significant intersections of highly conductive brines, as it did with the first hole in the programme. Assays are now pending.
- The second and third holes are now undergoing geophysical logging to determine porosity and specific yield for geological modelling and future resource estimation.
- The fourth and fifth holes of the programme are scheduled to commence shortly on the Olaroz Salar.

Lithium Energy Limited (ASX:LEL) (**Lithium Energy** or **Company**) is pleased to provide the following update on drilling of the second (SOZDD002) and third (SOZDD003) diamond holes at the highly prospective flagship Solaroz Lithium Brine Project in Argentina, in the heart of South America's world renowned Lithium Triangle (**Solaroz**).

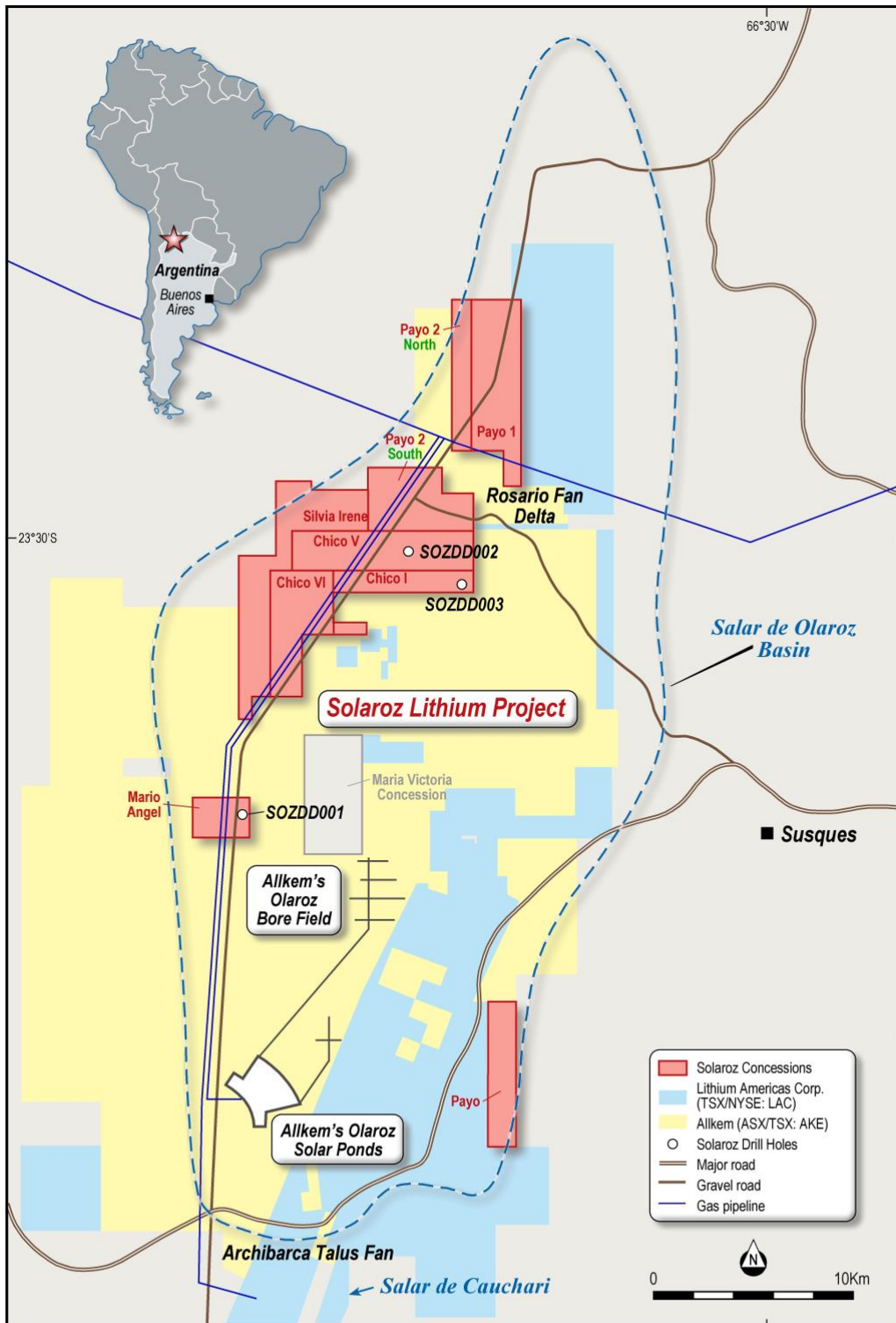
As previously reported¹, drillhole SOZDD002 (Chico V concession, see Figure 1) encountered a significant intersection of highly conductive brines hosted in unconsolidated sands over an interval of approximately 107 metres, from a depth of 186 metres to 293 metres (upper aquifer). As drilling advanced below this depth, conductive brines continued to be encountered in fractured shales. Drilling continued to a depth of ~482.5 metres, with the hole being ultimately terminated due to unstable drill hole conditions. Double Packer sampling of the drillhole is currently underway, which will be followed by geophysical logging to determine porosity and specific yield to assist with geological modelling. Once geophysical logging is complete, the rig will move on to the next drill hole in the programme.

Drillhole SOZDD003 (Chico 1 concession, see Figure 1) as previously reported¹ also encountered highly conductive brines in the upper aquifer over an interval of approximately 107 metres, from a depth of 176 metres to 283 metres before encountering a thick halite (salt unit) layer. At a depth of 500 metres, drilling then transitioned through the halite layer into the targeted Deep Sands Unit. Highly conductive brines were also encountered in the Deep Sands Unit commencing at a depth of 500 metres. Drilling proceeded to a final depth of 590 metres, which was the physical limit of the drilling rig. Double packer sampling has been undertaken for this hole, which is also currently being prepared for geophysical logging prior to moving on to the next hole in the programme.

1 Refer LEL ASX Announcement dated 31 January 2023: Drilling Continues to Encounter Significant Intersections of Highly Conductive Brines at Solaroz Lithium Project



The Company will provide a further hole completion update on SOZDD002 and SOZDD003 after the completion of geophysical logging and receipt of assays from packer sampling.



LITHIUM ENERGY LTD **Solaroz Lithium Project, Argentina**
Solaroz Concessions Location Plan
www.lithiumenergy.com.au

Figure 1: Solaroz Drill Hole Locations within Solaroz Concessions in Olaroz Salar (Adjacent to Allkem and Lithium Americas Concessions)

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ABOUT LITHIUM ENERGY LIMITED (ASX:LEL)

Lithium Energy Limited is an ASX listed battery minerals company which is developing its flagship Solaroz Lithium Brine Project in Argentina and the Burke Graphite Project in Queensland. The Solaroz Lithium Project (LEL:90%) comprises 12,000 hectares of highly prospective lithium mineral concessions located strategically within the Salar de Olaroz Basin in South America's "Lithium Triangle" in north-west Argentina. The Solaroz Lithium Project is directly adjacent to or principally surrounded by mineral concessions being developed into production by Allkem Limited (ASX/TSX:AKE) and Lithium Americas Corporation (TSX/NYSE:LAC). The Burke Graphite Project (LEL:100%) contains a high grade graphite deposit and presents an opportunity to participate in the anticipated growth in demand for graphite and graphite related products.

JORC CODE COMPETENT PERSON'S STATEMENTS

The information in this document that relates to Exploration Results in relation to drillholes SOZDD002 and SOZDD003) are based on, and fairly represents, information and supporting documentation prepared by Mr Peter Smith, BSc (Geophysics) (Sydney) AIG ASEG. Mr Smith is a Member of the Australian Institute of Geoscientists (**AIG**) and an Executive Director of the Company. Mr Smith has the requisite experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which 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' (the **JORC Code**). Mr Smith consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

The information in this document that relates to other Exploration Results and Exploration Targets in relation to the Solaroz Lithium Project is extracted from the following ASX market announcements made by Lithium Energy dated:

- 31 January 2023 entitled "Drilling Continues to Encounter Significant Intersections of Highly Conductive Brines at Solaroz Lithium Project"
- 14 December 2022 entitled "Intersections of Conductive Brines Encountered in Further Drillholes at Solaroz Lithium Project in Argentina"
- 16 November 2022 entitled "Drilling Completed at Maiden Drillhole at Solaroz Lithium Brine Project"
- 1 November 2022 entitled "Further Significant Lithium Concentrations Encountered in Maiden Drillhole at Solaroz Lithium Brine Project"
- 19 October 2022 entitled "Major Lithium Discovery Confirmed In First Drillhole of Maiden Programme at the Solaroz Lithium Brine Project"
- 5 October 2022 entitled "Significant Intersection of Highly Conductive Brines in Maiden Drillhole at Solaroz Lithium Brine Project"
- 18 August 2022 entitled "Highly Encouraging Geophysics Paves Way for Commencement of Drill Testing of Brines at Solaroz"
- 9 May 2022 entitled "Geophysics Expanded Across all Concessions to Refine Drill Targets at Solaroz Lithium Project"
- 8 June 2021 entitled "Substantial Lithium Exploration Target Identified at the Solaroz Project in Argentina"

The information in the original announcements is based on, and fairly represents, information and supporting documentation prepared and compiled by Mr Peter Smith (BSc (Geophysics) (Sydney) AIG ASEG). Mr Smith is a Member of the AIG and a Director of the Company. Mr Smith has the requisite experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements (referred to above). 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 market announcements (referred to above).