ASX: AS2

ASX ANNOUNCEMENT | 20 July 2023

NEW 'CORRIDOR OF INTEREST' DISCOVERED AT UIS LITHIUM PROJECT IN NAMIBIA

HIGHLIGHTS

- **Highly prospective 'corridor of interest' discovered at Uis Lithium Project ~15km long and ~5km wide zone across both EPL 7345 and EPL 8535**
- **Re-assessment of exploration data led to re-interpretation of results**
- **Undrilled LCT pegmatites with visible lithium mineralization observed in the field**
- **Planning underway to focus exploration efforts on new area**
- **Evaluations of complementary acquisitions near Uis Lithium Project continue**
- **Askari continues to technically assess and evaluate other complementary acquisitions surrounding the Uis Lithium Project**

Askari Metals Limited (ASX: AS2) ("**Askari Metals**" or "**Company**") is pleased to announce that a highly prospective 'corridor of interest' has been discovered, following a recent re-assessment of project data. The Company's recently appointed Chief Exploration and Project Manager (Africa), Cliff Fitzhenry, along with the new Technical Consultant to the Company, Laubser Pepler, have recently concluded a site visit to the Uis Lithium Project, located in the Erongo Region of central-west Namibia.

Commenting on the discovery at the Uis Lithium Project, Chief Exploration and Project Manager (Africa), Mr Cliff Fitzhenry, stated:

"After re-assessing and re-interpreting all results received to date, as well as visiting the project site and areas of confirmed lithium mineralisation, we have defined a new, highly prospective "corridor of interest".

"Going forward, we will embark on a more traditional and systematic exploration strategy focused on this zone, which will allow us to generate high confidence targets which we will aim to drill test and fast track.

"This latest discovery is an exciting development for the Company following an aggressive exploration campaign at the Uis Lithium Project. Following this new interpretation, our efforts will be more focused on this new 'corridor of interest'.

"The Company looks forward to updating our shareholders as we continue our exploration activities, which will give us the best possible chance of unlocking the lithium potential of the Uis Lithium Project."

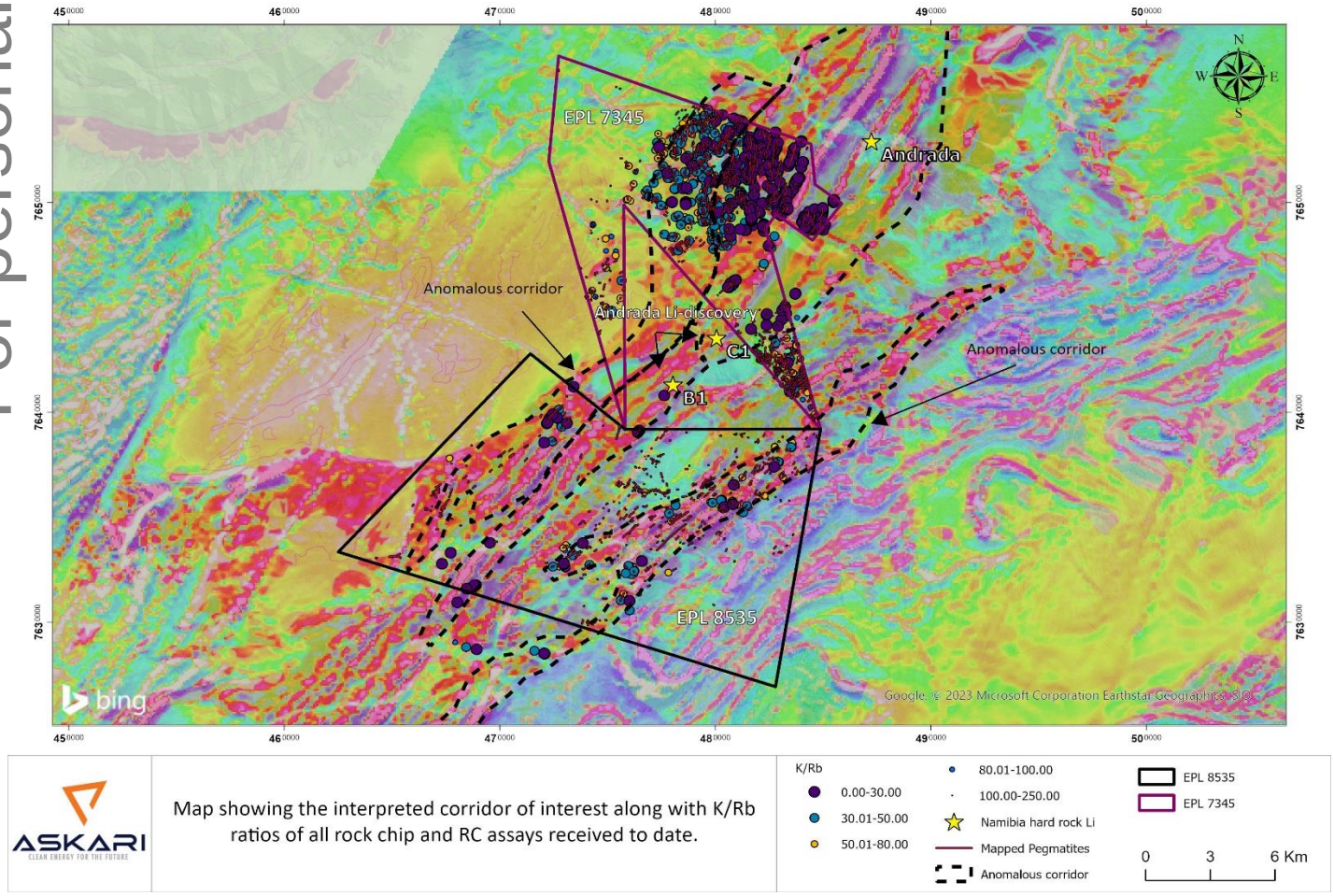
Rock chip sampling and mapping has recently been completed on both licences along with 2 phases of RC drilling on EPL 7345 and 1 phase of RC drilling on EPL 8535. A total of 749 rock chip samples were collected from EPL 7345 and 292 from EPL 8535. The Phase I RC drilling campaign on EPL 7345 comprised 59 holes for 3,017m which was followed up with a second phase campaign of 55 holes for 3,367m. On EPL 8535 a Phase 1 RC drilling campaign was completed which included 59 drill holes for 3,523m.

Highlights to date include rock chip samples grading 3.32%, 3.19%, 3.14%, 2.94%, 2.11%, 1.8%, 1.64% and 1.1% Li_2O as well as RC intercepts of 4m @ 0.4% Li_2O (including 2m @ 0.56%) and 1m @ 0.71% Li_2O.

Refer to ASX announcements dated 19 June 2023, 5 June 2023, 17 May 2023, 13 April 2023, 7 March 2023, 15 February 2023, 6 February 2023 and 15 December 2022.

Prospective Discovery at Uis Lithium Project – High Priority Exploration Corridor

A re-assessment and re-interpretation of all project data generated to date has outlined a clear zone of potential lithium mineralization. The zone strikes north east – south west, runs ~15km long and ~5km wide, and can be defined by the regional magnetic geophysical data, along with chemical data. The K/Rb ratio of all rock chip and RC assays obtained to date clearly outlines this zone. Lower K/Rb ratio's are indicative of highly fractionated, fertile LCT pegmatites. All anomalous rock chips and RC results to date fall within this prospective zone.



Map showing the interpreted corridor of interest along with K/Rb ratios of all rock chip and RC assays received to date.

Figure 1: Map showing the interpreted corridor of interest on EPL 7345 and EPL 8535 along with K/Rb ratios of all rock chip and RC assays received to date and the regional magnetic data

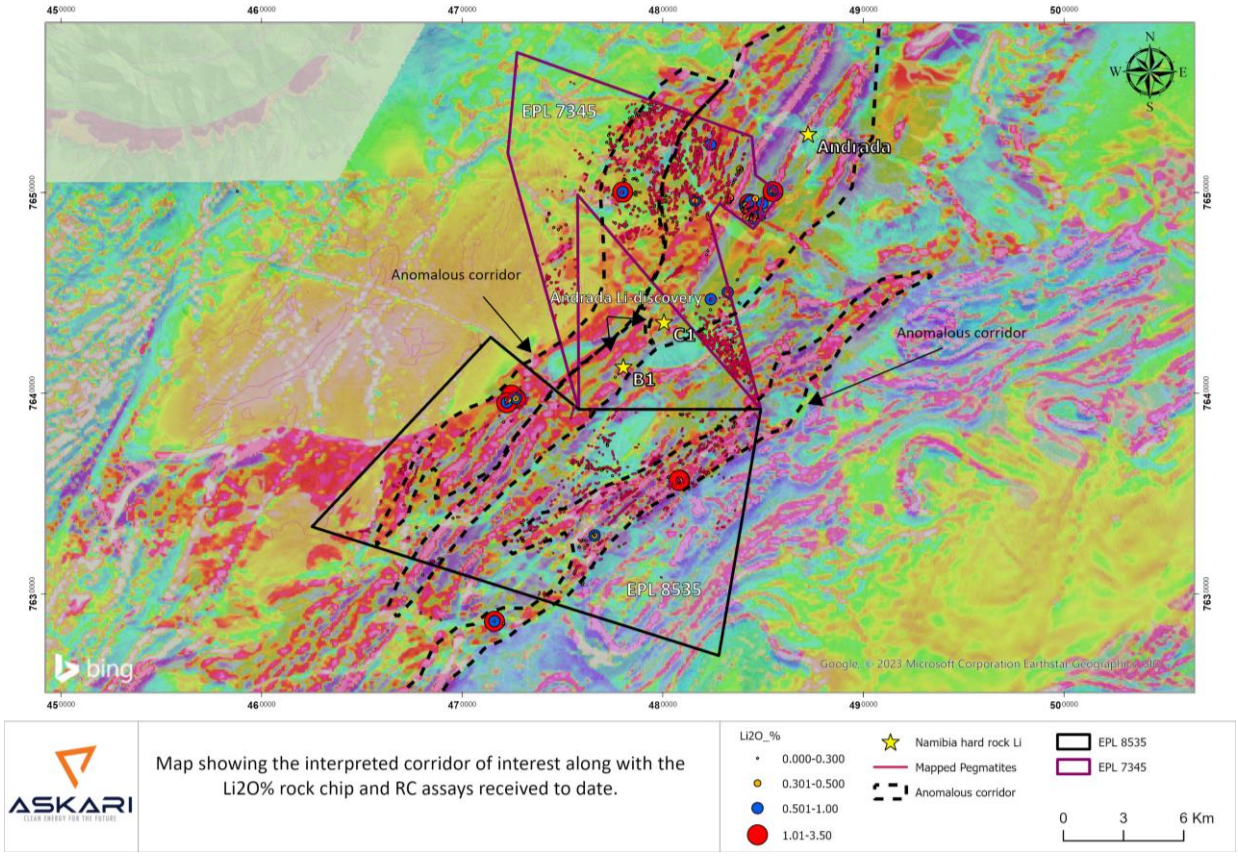


Figure 2: Map showing the interpreted corridor of interest on EPL 7345 and EPL 8535 along with Li_2O% values of all rock chip and RC assays received to date and the regional magnetic data

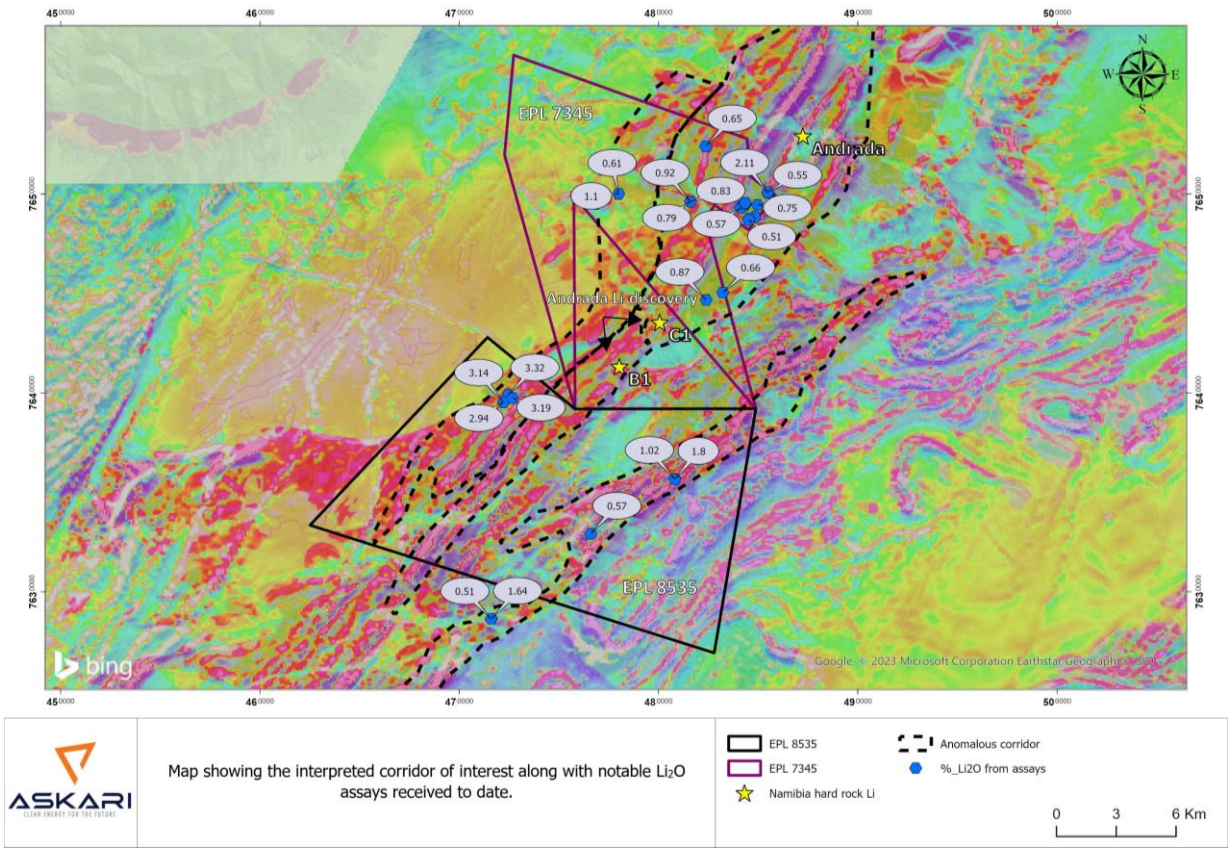


Figure 3: Map showing the interpreted corridor of interest on EPL7345 and EPL8535 along with notable Li_2O% values of all rock chip and RC assays received to date and the regional magnetic data

It is also notable that Andrada's Uis Mine (81 Mt @ 0.73% Li_2O, 0.15% Sn and 86ppm Ta) and Spodumene Hill B1/C1 Project both fall along strike and within this highly prospective zone. Recent drilling results from Andrada Mining Ltd at the Spodumene Hill Project has defined shallow high-grade lithium mineralisation, including 14.52m at 1.38% Li_2O, 285 ppm Ta and 0.131% Sn from a depth of 15.48m, including 5m at 2.32% Li_2O from 18m and 2.5m at 2.04% Li_2O from 25.5m.

Refer to Andrada Mining Ltd RNS announcement dated 6 February 2023 and 6 July 2023.

Fertile LCT Pegmatites along with Visible Spodumene Observed in the Field

Visible spodumene and lepidolite mineralisation was observed on both EPL 7345 and EPL 8535 during a recent site visit. Some of the mineralised pegmatite localities have not previously been drill tested and these all fall within the newly interpreted prospective zone.

The pegmatites within this zone all contain characteristics typical of fertile LCT pegmatites including a high degree of fractionation and zonation, quartz cores and sugary albite textures and common lithium accessory minerals including sugary and cleavelandite varieties of albite, colored tourmaline and green mica.

Figure 4: Field photos from the site visit undertaken this week (all these photos from EPL 7345). Top Left: Large weathered spodumene logs in pegmatite outcrop. Top right: Outcropping LCT pegmatite with a quartz core. Bottom left: Fresh spodumene mineralization in outcrop. Bottom right. Askari's Chief Exploration and Project Manager (Africa), Cliff Fitzhenry, left, and Technical Consultant, Laubser Pepler, right, standing on an LCT pegmatite outcrop

Figure 5: Various spodumene rich samples from an LCT pegmatite locality on EPL 7345

PENDING ASSAY RESULTS

Rock chip sampling and mapping has recently been completed on both licences including 2 phases of RC drilling on EPL 7345 and 1 phase of RC drilling on EPL 8535. Results from these exploration phases are anticipated in August.

UPDATE ON DIAMOND DRILLING PROGRAM

Based on the re-assessment of the exploration data at the Uis project, the Company will be re-designing its exploration with a focus on this highly prospective mineralised corridor using traditional exploration methods. The Company is proposing to mobilise a diamond drill rig to the Uis project in the near term, contingent upon rig availability.

FUTURE WORK

The Company will have renewed focus for exploration activities, targeting the newly discovered site, which will include geochemical soil sampling, trenching, and high-resolution remote sensing data. This data will be used to better refine the characteristics of the zone, with results expected to generate high confidence drill targets.

The Company also looks forward to reporting on the balance of the rock chip and RC assay results still pending, particularly those of the pegmatite target in the southeast corner of EPL 7345. Follow-up programs based on these results will be fast tracked.

At the same time, further licences are currently being assessed within the Cape Cross-Uis Pegmatite belt and, once acquired, exploration work will be fast-tracked.

**** The Company reminds investors that the presence of spodumene crystals within pegmatite does not necessarily equate to lithium mineralisation or indicate the percentage of lithium mineralisation, which can only be accurately confirmed by chemical assays. When such laboratory results become available, they will be reported in full in a future report.***

This announcement is authorised for release by the executive board.

- ENDS -

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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.

CAUTIONARY STATEMENT

Visual estimates of mineral abundance should never be considered a proxy or substitute for laboratory analyses where concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding impurities or deleterious physical properties relevant to valuations.

COMPETENT PERSONS STATEMENT

The information in this report that relates to Exploration Targets, Exploration Results or Mineral Resources is based on information compiled by Clifford Fitzhenry, a Competent Person who is a Registered Professional Natural Scientist with the South African Council for Natural Scientific Professions (SACNASP) as well as a Member of the Geological Society of South Africa (GSSA) and a Member of the Society of Economic Geologists (SEG).

Mr. Fitzhenry is the Chief Project and Exploration Manager (Africa) for 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. Fitzhenry consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

UIS LITHIUM PROJECT BACKGROUND – GEOLOGY AND MINERALISATION

The rocks of the Erongo Region, and specifically the Dâures Constituency, are represented by rocks of the Khomas Subgroup, a division of the Swakop Group of the Damara Sequence which have been intruded by numerous zones and unzoned mineralised pegmatites rich in cassiterite, lepidolite, petalite, amblygonite, spodumene, tantalite, columbite, beryl, gem tourmaline, and rare to sparse sulphides, wolframite, scheelite, pollucite or rare earths.

The Uis and Nainais-Kohero swarm of pegmatites represent the fillings of en-echelon tension fractures that formed as a result of regional shearing. These pegmatites can be described as being pervasively altered or extensively albitised with only relics of the original potassium feldspars left after their widespread replacement by albite. They are remarkably similar in composition, except for the varying intensity of pneumatolytic effects and the introduction or concentration of trace elements during the final stages of crystallisation has resulted in complex pegmatite mineralogies. These pegmatites are found within schistose and quartzose rocks of the Khomas Subgroup, a division of the Swakop Group, which have been subjected to intense tectonic deformation and regional metamorphism.

Detailed geological mapping within the Uis area suggests that the Uis swarm of pegmatites consists of over 80 individual pegmatite bodies. Shearing resulted in spaces being opened within the Khomas Subgroup which were subsequently intruded by pegmatite or quartz veins. Within the Nainais pegmatites high tin values are found in smaller altered mica-rich pegmatites near the pegmatite edges. The pegmatite mineralisation composition changes with distance from the granitic contacts with a mineral crystallisation sequence, which indicates garnet and schorl occurring closest to the granitic contacts, cassiterite and lithium-tourmaline occurring further away therefrom, and the tantalite being associated with lithium-tourmaline and quartz blows.

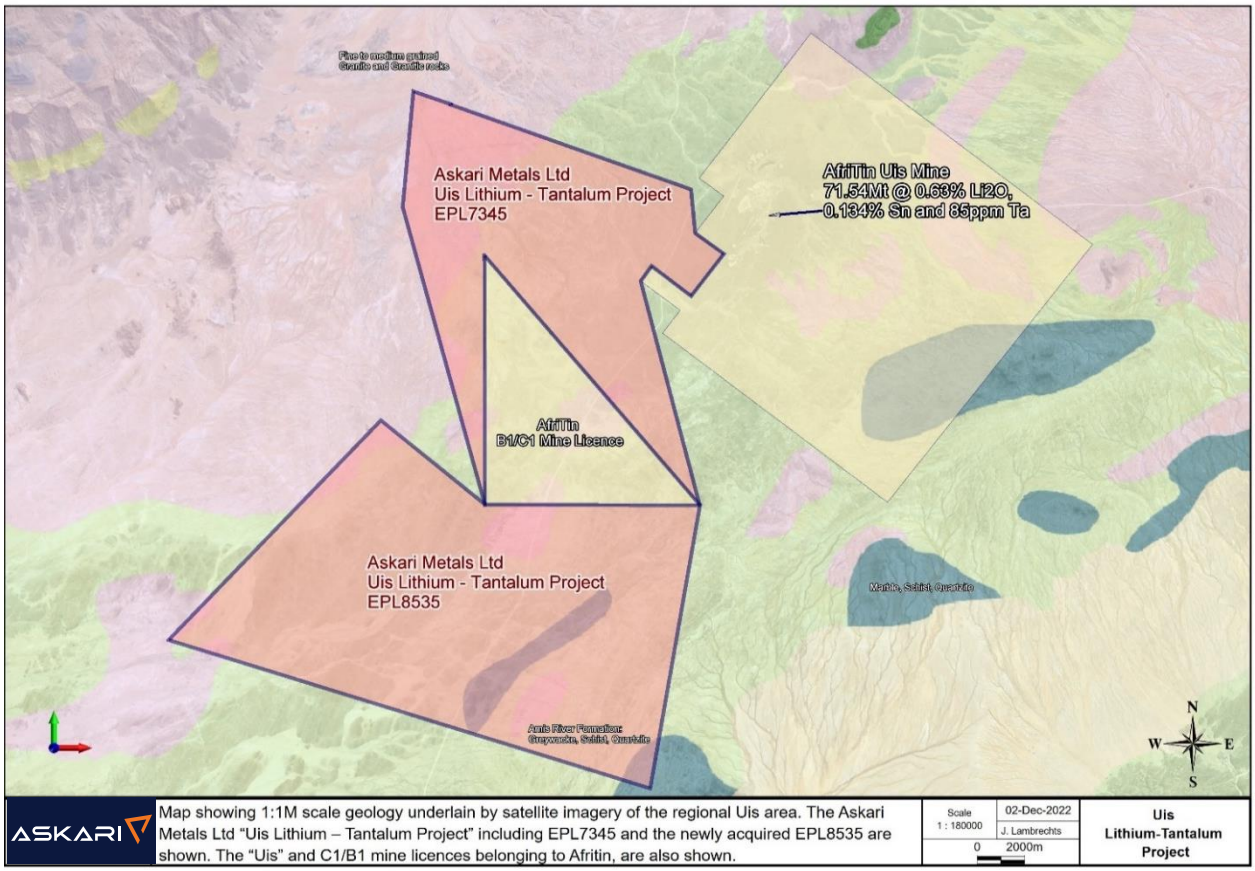

Figure 6: A map showing the geology of the Uis Lithium Project