

Black Mountain: Strategy & Drilling Plans

HIGHLIGHTS:

- **NEW STRATEGY:** Chariot has revised its strategy for Black Mountain and now envisions a "Pilot Mine" at Black Mountain in Wyoming, U.S.A., that could rapidly produce spodumene concentrate to capitalize on the growing lithium supply deficit in the U.S. market
- **RESOURCE DEFINITION TARGET:** Phase 2 drilling aims to define a high-priority, small-scale lithium resource (minimum JORC (2012) Indicated category) to underpin the Pilot Mine and establish the foundation for future larger-scale resource definition
- **PHASE 2 DRILL PROGRAM:** Chariot will conduct a reverse circulation drilling program at Black Mountain, drilling a total of up to 43 holes and up to 4,300 metres of total drilling (which may be completed in stages through the balance of 2024 and early 2025)
- **METALLURGICAL TESTING:** Chariot has approximately 200 kg of mineralized HQ diamond drill core in storage in Wyoming which will be transported to Perth for metallurgical testing by an experienced Perth-based metallurgical laboratory facility
- **URGENT SUPPLY NEEDS:** U.S. lithium demand is projected to surge by 2030, creating an urgency for new domestic supply sources
- **WYOMING'S STRATEGIC ADVANTAGE:** Wyoming's small-mine permit system offers a pathway for the establishment of a pilot mine
- **COST-EFFICIENT MODULAR PLANT DESIGN:** The contemplated modular plant design is expected to reduce upfront costs and offer flexibility to scale up rapidly
- **LONG-TERM VISION:** The Pilot Mine strategy could provide short-term cash flow and potentially could optimize the development of larger-scale mining operations in the future

Chariot Corporation Limited (ASX:CC9) ("**Chariot**" or the "**Company**") today announces that it has revised its strategy for the Black Mountain hard rock lithium project in Wyoming U.S.A. ("**Black Mountain**") and will shift from exploring for a large-scale resource to testing the viability of establishing a smaller-scale "pilot mine" at Black Mountain ("**Pilot Mine**"), with the goal of supplying spodumene concentrate to several lithium hydroxide refineries under construction in the southwestern United States.

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The following factors relating to the Black Mountain Project render it particularly suitable for the establishment of a Pilot Mine:

- 1) **Indications of near-surface lithium mineralization at Black Mountain** makes it suitable for a shallow, open-pit Pilot Mine.
- 2) **Wyoming's advantageous small-mine permit system** offers a pathway for small mine permits that does not impose limits on the mineral volume which can be extracted but rather places annual limits on the mining activities to 10 acres (4.05 hectares) of disturbance and 35,000 cubic yards (26,760 cubic metres) of overburden removal (refer Part 3 of this announcement).
- 3) **Black Mountain's proximity to U.S. lithium hydroxide refineries** currently under construction in the southwestern United States is expected to provide a geographic advantage in marketing product extracted from the Pilot Mine.

1. Target Small-scale Lithium Resource Definition

The Black Mountain Phase 2 drilling program ("**Phase 2 Drilling Program**") will be completed during the coming months within the 5 acre disturbance limit applicable under the existing "Notice of Intent" level drill permit. The Phase 2 Drilling Program will seek to:

- 1) **Quickly and cost-effectively define a small-scale lithium resource** (at a minimum JORC (2012) "Indicated" category level of confidence) to support the construction of a Pilot Mine ("**Small-scale Lithium Resource**").
- 2) **Advance the understanding of mineralization and geology** to identify drilling targets for further exploration of the project and delineation of a resource to support future large-scale mining.

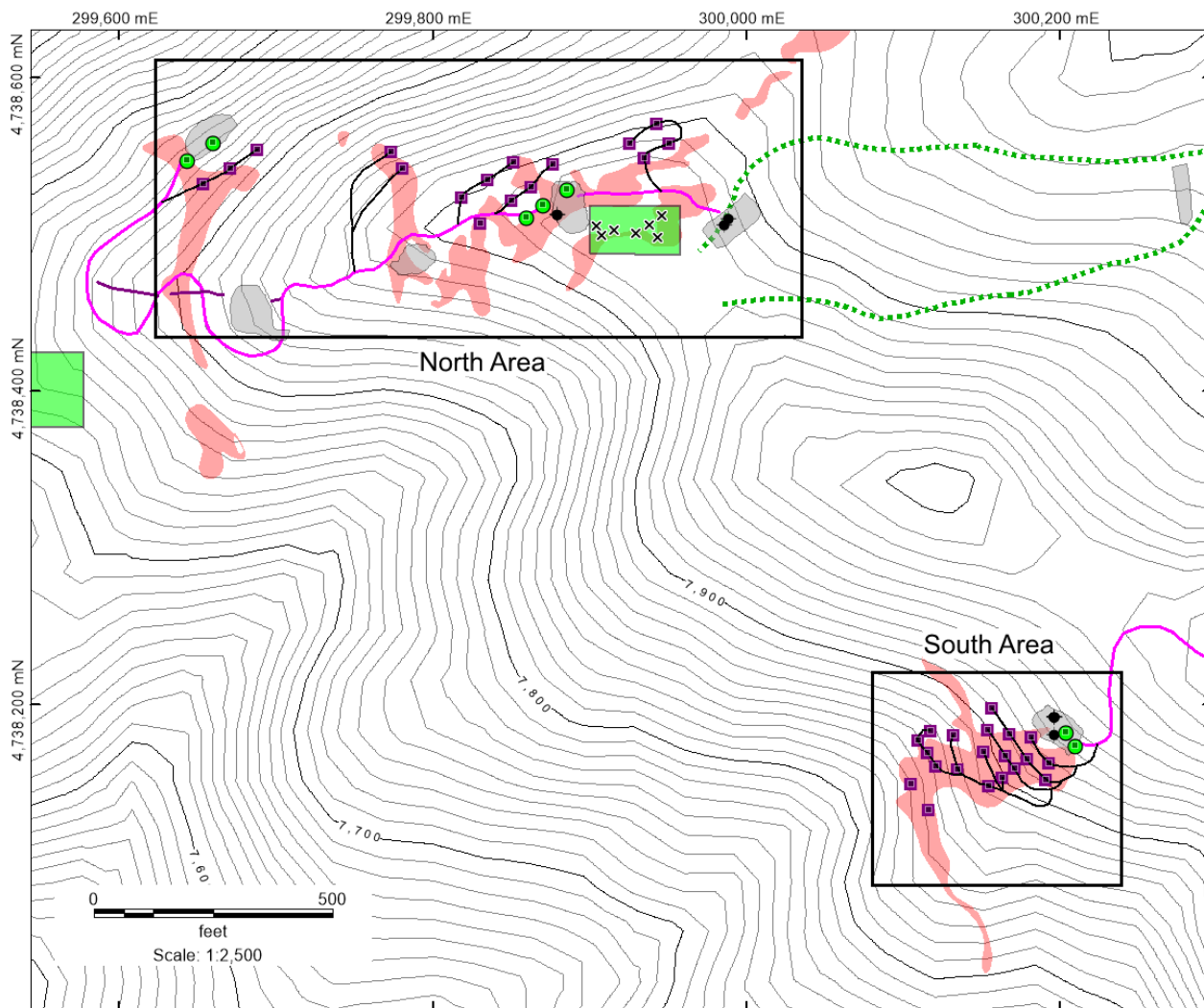
The Phase 2 Drilling Program will be focused on the two southern pegmatite outcrops (Figure 1) which exhibit high fractionation (see Chariot's ASX announcements dated 2 February 2024 and 20 August 2024) and contain spodumene at surface.

A previous drilling program conducted by the Company has already shown at and near-surface lithium mineralisation in these areas (see Chariot's ASX announcement dated 2 February 2024).

ERM (see Part 4 of this announcement below) has assisted in the development of the Phase 2 Drilling Program. It will consist of up to 43 holes, totaling up to 4,300m of total drilling depth. The drilling method utilized will be small-format reverse circulation ("**RC**") drilling, which is a proven method for quick and cost-effective drilling with a minimal disturbance footprint.

As part of its revised strategy for Black Mountain, the Company is replacing the previously announced drilling plans (see Chariot's ASX announcements dated 19 June 2024) with the Phase 2 Drilling Program.

The Company is in discussions with a drilling company and will commence drilling as soon as an RC drill rig and crew can be redeployed from their current projects.



**Black Mountain 2024 Drilling
RC Proposed Drill Plan**

- | | |
|--|---|
| ■ RC 2024 Requiring Pads and Roads | — AsBuilt Drill Roads |
| ● RC 2024 No Pads or Roads | — AsBuilt Abandoned Drill Road Segments |
| — RC 2024 Proposed Drill Roads | --- Existing 2-track Roads |
| × Environmentally Sensitive - Cannot Drill | ■ Environmentally Sensitive Areas |
| ◆ AsBuilt Collar Locations 2023 | ■ Mapped Pegmatites |
| ■ AsBuilt Drill Pads 2023 | — Contours: interval = 10 feet |

Figure 1: 2024 RC Drill Plan



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Figure 2: Black Mountain pegmatite intersection in BMDDH23_01 from 10.5m (34.5ft.) to 13.7m (45ft.) showing some of the spodumene mineralization (See Chariot's ASX Announcement dated 2 February 2024)



Figure 3: Black Mountain Drill Core sample from BMDDH23_01 - from 10.6m (See Chariot's ASX Announcement dated 2 February 2024)



The Company notes that completion of the full Phase 2 Drilling Program will require additional funding. Discussions regarding potential fundraising are currently underway and the Company will provide further updates as details are finalised.

2. Pilot Mine Strategy

A Pilot Mine in Wyoming, could be configured as follows:

Key Consideration	Comments
Mining:	The mining would consist of mineral extraction from a shallow open-pit mine conducted by local quarry operators – an approach that leverages local expertise, engineering and maintenance support while reducing the extent of required on-site infrastructure. Pit design would be informed by the results of the Phase 2 Drilling Program (refer to Part 1 of this announcement).
Processing:	Processing of mined materials would occur on-site with a modular and scalable “demonstration” processing plant – an approach that reduces construction and transportation costs thereby enhancing both efficiency and project economics. The process will include crushing, gravity separation, and/or froth flotation, based on results from metallurgical testing, Pilot Mine feasibility studies and detailed design processes (refer to the conceptual flowsheet in Figure 4).
Environmental Studies & Permitting:	Chariot plans to engage an environmental consultant to collect pre-mining baseline data and conduct ongoing assessments, ensuring compliance with regulatory standards and minimizing ecological impact. Restoration and reclamation will follow mining activities, with a focus on building strong relationships with local stakeholders to address community expectations and needs.
Offtake:	Product extracted from the Pilot Mine would be targeted for lithium refineries under construction in the southwestern United States.
Infrastructure:	Planning will seek to leverage existing infrastructure and resources of nearby towns to the fullest extent possible.

Table 1: Pilot Mine Development Framework

Establishment of a Pilot Mine at Black Mountain has the potential to materially mitigate risks associated with future large-scale development for several reasons:

- Pilot Mine development will improve the understanding of project geology and grade control requirements, thereby enabling future development to be implemented more efficiently; and
- a scalable modular processing plant contemplated by the Company’s plan is expected to facilitate capital efficient expansion of the initially small-scale processing capabilities when the need arises.

If Chariot pursues the establishment of a Pilot Mine, first production would be targeted in the medium term, though timelines will be dependent on a variety of factors. The project is envisioned to employ



a modular plant design, incorporating gravity separation and flotation methods tailored for hard rock pegmatite dykes. This modular design minimizes capital expenditure and enables scalable, staged project development, significantly reducing upfront costs and financial risk, as well as facilitating rapid installation and commissioning. As part of Chariot's evaluation of the project, Chariot will consider the potential to enhance the project's economics through the recovery of valuable metals such as tantalum, tin and beryllium, contingent on the results of drill testing at the site and metallurgical testing of extracted ore.

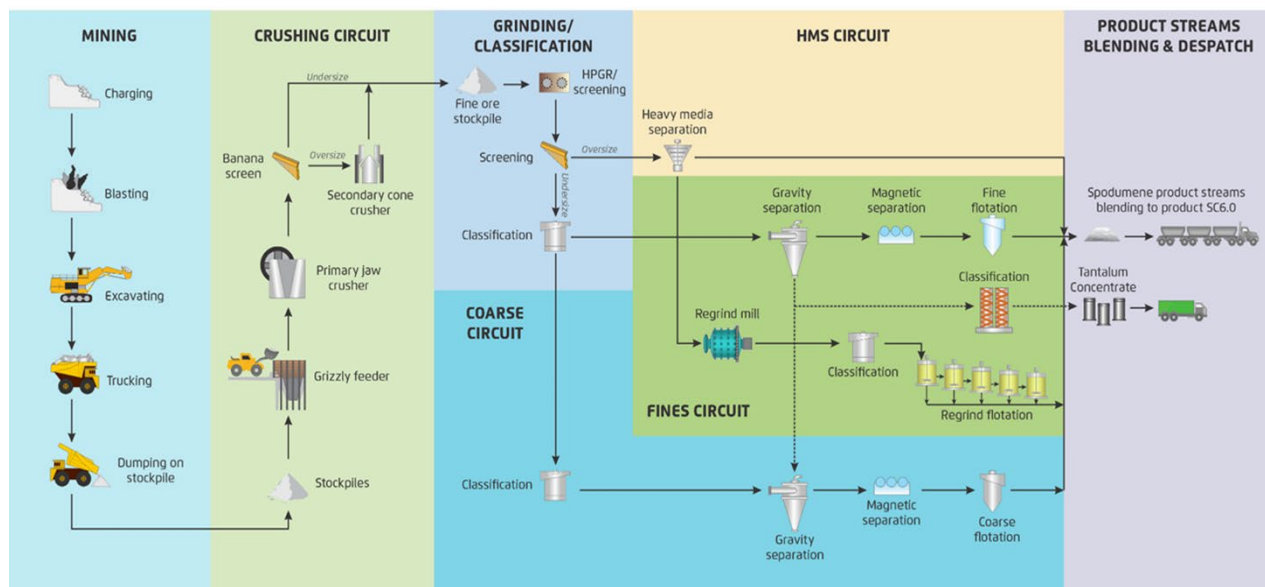


Figure 4: Pilot Mine Conceptual Flowsheet - based on other spodumene concentrate producing operations

3. Wyoming's Small Mine Permit System

Wyoming is one of the few U.S. States that enables resource development at a small-scale. Wyoming offers a well-defined regulatory framework for securing a "small mine permit" administered by the Wyoming Department of Environmental Quality (DEQ). A small mine permit is ideal for early-stage projects without large-scale infrastructure.

As authorized by Wyoming Statute W.S. §35-11-401(j) and Chapter 9 of the DEQ Land Quality Division (LQD) Non-Coal Rules and Regulations, a small mine permit is limited to surface mining operations involving no more than 35,000 cubic yards of overburden, excluding topsoil, and disturbing no more than 10 acres of land per year. Roads constructed to access the mine are excluded from the annual 10-acre disturbance limit but must be included within the permit area and bonded for reclamation.

The streamlined process reduces regulatory burdens, simplifies environmental reviews and facilitates rapid and capital efficient project initiation, making it suitable for projects like Black Mountain with near-surface lithium deposits. This regulatory framework aligns with Chariot's strategy to address the U.S. lithium shortfall while minimizing environmental impact and capital expenditure.



A Pilot Mine operating under a small mine permit would not be subject to any limitations on mineral volume extraction under current Wyoming law.

4. Pilot Mine Project Execution

The Company envisions the following processes and milestones occurring in phases as indicated below.

Phase 2 Drilling Program	■	■	■				
Metallurgical testing	■	■	■				
Plant & Process Engineering	■	■					
Small-scale Lithium Resource Definition		■					
Feasibility Study		■	■	■			
Offtake Agreements				■			
Detailed Design					■	■	
Mine Development				■	■		
Plant Construction						■	■
Commissioning/ Production							■

Table 2: Pilot Mine Project Development Schedule.

The development schedule presented above is conceptual in nature. The actual schedule may vary based on numerous factors, including, but not limited to, regulatory approvals, resource delineation, the outcome of feasibility studies, financing conditions and unforeseen technical challenges. The Company cautions that this schedule does not guarantee the completion of any of the outlined processes or milestones within the specified timeframe or at all.

The Company expects the Pilot Mine project to involve the following advisors and consultants:

- **METS Engineering Group Pty Ltd (“METS”):** METS would provide guidance on the metallurgical test work program and detailed plant design. They bring extensive experience in hard rock lithium projects, including notable work on the Greenbushes and Pilgangoora projects.
- **ERM Australia Consultants Pty Ltd (formerly CSA Global) and ERM Sustainable Mining Services (“ERM”):** ERM would oversee the exploration work and provide guidance on drilling and resource modelling and estimation, open pit optimisation, detailed mine design and ore reserves estimation for the Pilot Mine.
- **Crowley Fleck Lawyers:** Crowley Fleck would continue to offer legal advice on Wyoming mining law and assist with obtaining permits for the Pilot Mine.
- **Metallurgical Testing Laboratory:** A laboratory identified by the Company, which is located in Perth, Western Australia would provide the metallurgical testing services.



- **Permitting Specialists:** Specialists in permitting would be engaged at the appropriate stage of the project to assist Crowley Fleck in securing the required permit(s).

Chariot has engaged several consultants and advisors in Perth, Western Australia, due to the City's reputation as a hub for world-leading hard rock lithium expertise and testing capabilities. As part of the Company's effort to tap into this expertise, the Company will be shipping approximately 200kg of mineralised HQ diamond drill core from its previously conducted diamond core drilling program to Perth for metallurgical testing under the supervision of the METS team.

5. U.S. Market: Lithium Supply Gap

Chariot's Pilot Mine strategy aligns with the U.S. government's push for domestic lithium production, driven by federal incentives like the Inflation Reduction Act ("IRA"), which requires new electric vehicles to use IRA-compliant raw materials to qualify for a US\$7,500 tax credit and for lithium-ion battery manufacturers to qualify for the advanced manufacturing production credit. With limited domestic supply and increasing demand, Chariot's focus on IRA-compliant lithium supply seeks to directly address market needs and position the Company as a key contributor to the emerging domestic lithium supply chain.

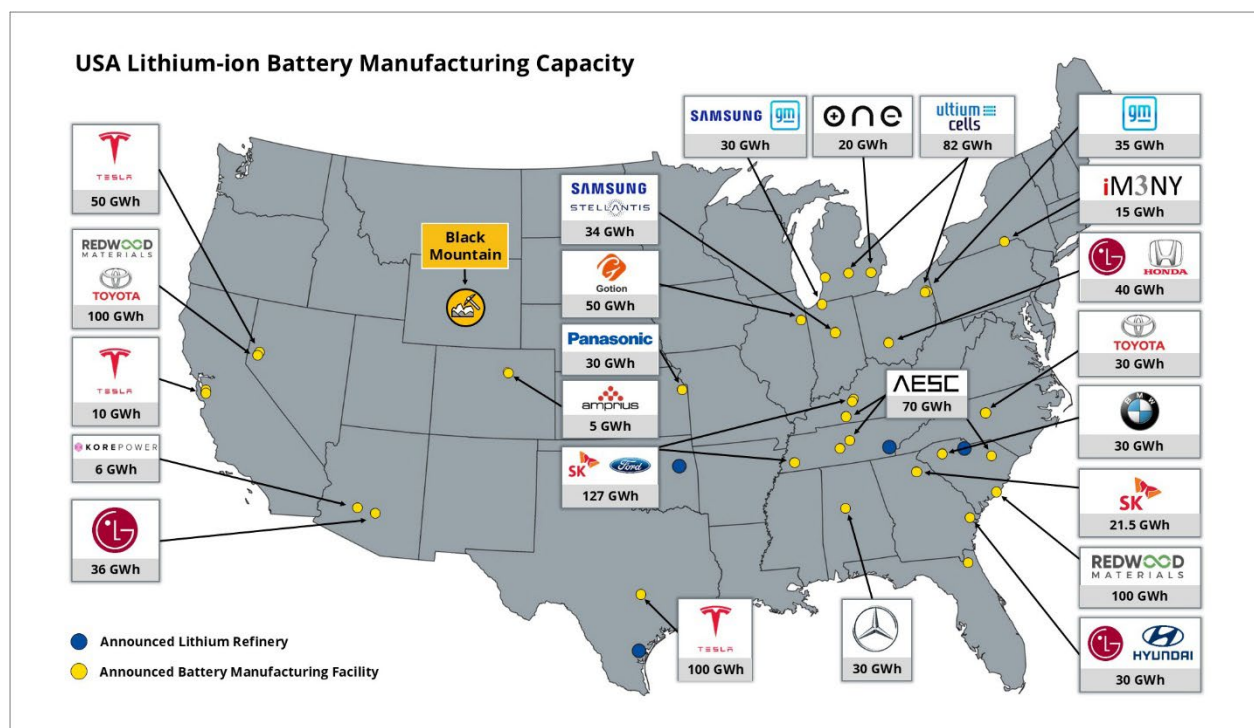


Figure 5: Announced Lithium-ion Battery Manufacturing Capacity (installed and under-development)

Currently, there are two lithium mines operating in the United States, the Silver Peak mine (Nevada) which produces 6 ktpa of lithium carbonate equivalent ("LCE") and the U.S. Borax mine (California) which produces 58 ktpa of LCE. In addition, there are a half dozen lithium projects which have been permitted and are in various stages of development.



A substantial portion of the global lithium supply is already contracted to China or other markets, making it costly and impractical to ship to the United States – potentially leaving the United States short of IRA-compliant lithium supply.

Market dynamics:

- Lithium Demand Surge: U.S. demand is expected to exceed 400 ktpa LCE by 2030, highlighting the need for new IRA-compliant sources of lithium.ⁱ
- Strategic Independence: U.S. policy is increasingly focused on reducing reliance on foreign lithium supplies, particularly from China, by developing domestic production capabilities.

Authorised on behalf of the Board of Directors.

Shanthar Pathmanathan

Managing Director

Chariot Corporation Ltd



Important Notice

Statements in this announcement are made only as of the date of this announcement unless otherwise stated and the information in this announcement remains subject to change without notice.

To the maximum extent permitted by law, neither Chariot nor any of its affiliates, related bodies corporate, their respective officers, directors, employees, advisors and agents or any other person accepts any liability as to or in relation to the accuracy or completeness of the information, statements, opinions or matters (express or implied) arising out of, contained in or derived from this announcement or any omission from this announcement or of any other written or oral information or opinions provided now or in the future to any person. This announcement may contain some references to forecasts, estimates, assumptions and other forward-looking statements.

Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management of the Company made in light of their experience and their perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. The Company believes that the assumptions and expectations reflected in such forward-looking information are reasonable.

Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause the Company's results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

Competent Person

The information in this report that relates to exploration planning and geological and mining objectives is based on a review of Chariot's Pilot Mine Strategy for the Black Mountain lithium project, Wyoming USA and the results of previous exploration by Mr Andrew Waltho B.App.Sc (Hons) (Geology), FAIG, RPGeo, FAusIMM, FGS, PMSME, GAICD, a Competent Person who is a Fellow of both the Australian Institute of Geoscientists and the Australasian Institute of Mining and Metallurgy. Mr Waltho is an employee of ERM Australia Consultants Pty Ltd. Chariot and Mustang Lithium LLC are clients of ERM. No relationship exists that could be perceived by investors as a conflict of interest.

Mr Waltho 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 Waltho consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.



About Chariot

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Chariot Corporation Limited is a mineral exploration company focused on discovering and developing high-grade and near surface lithium opportunities in the United States. Chariot has twelve (12) lithium projects, including two core projects (the “**Core Projects**”) and a number of exploration pipeline projects which Chariot majority owns and operates. The Core Projects include Chariot’s flagship Black Mountain Project (which is prospective for hard rock lithium) in Wyoming, USA and the Resurgent Project (which is prospective for claystone lithium) in Nevada and Oregon, USA. Initial survey results from the Core Projects indicate high-grade lithium mineralisation at surface.

Chariot holds an interest in six exploration pipeline projects located in Wyoming, USA, including, the Copper Mountain Project, the South Pass Project and four other hard rock lithium projects.

Chariot holds an interest in a hard rock lithium project in Zimbabwe which is prospective for spodumene bearing pegmatites.

In addition, Chariot holds a portfolio interest in certain properties prospective for claystone hosted lithium located in the State of Nevada in the United States through its interest in Mustang Lithium LLC.

ⁱ Refer Fastmarkets Article dated 3 April 2024: [LINK](#)

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