SCORPION MINERALS LIMITED

SCORPION MINERALS LIMITED

ABN 40 115 535 030
24 Mumford Place
Balcatta WA 6021

T: +61 8 6241 1877
F: +61 8 6241 1811

www.scorpionminerals.com.au

ASX ANNOUNCEMENT **20 October 2022**

Multiple mineralised LCT pegmatite dykes - Poona

- **Initial field reconnaissance and mapping at Poona East and Poona West completed - focused on historically sampled pegmatites**
- **Pegmatite swarms occur within 1000m of granite contact across a zone 500m - 1000m wide**
- **Historic high lithium assays associated with complex pegmatites containing lepidolite and potentially spodumene**
- **Significantly LCT pegmatites exhibit mineral zonation both across their width and along strike**
- **RC drill targets evaluated on ground providing valuable structural data to enable optimum initial testing in the upcoming drill programme**
- **Near-term exploration to include geological mapping, soil geochemistry, RC drilling of lithium and PGE-Ni-Cu targets, airborne and/or ground EM survey**

Scorpion Minerals Limited (ASX:SCN) (**Scorpion**, **SCN** or **the Company**) is pleased to provide an update on lithium exploration activities in the Poona area of its 100% owned Pharos Project. The Pharos Project covers an area of 1,544km^2 60km northwest of Cue in the Murchison Mineral Field, Western Australia.

Initial field reconnaissance has confirmed extensive LCT pegmatite swarms at Poona East and Poona West (Figures 2 & 3). Individual pegmatites are up to 1000m long and surface exposures suggest widths from 10m to 15m wide. The pegmatites are shallow dipping and exhibit zonation both of which are important characteristics of significant LCT systems.

Company Comment – Chairman Bronwyn Barnes

"We are excited by the outcomes from our recent field work which targeted the areas surrounding historically sampled pegmatites at Pharos. In addition to confirming a 50km strike zone of significant rare metal and LCT mineralisation we have now identified multiple mineralised LCT pegmatite dykes within the Poona Prospect area. This work has significantly refined our priority targets for upcoming drilling and provide a much clearer understanding of the structural controls at Pharos."

Poona Exploration Summary

Following a detailed technical review completed Scorpion successfully extended the strike zone of significant rare metal and Lithium, Caesium, Tantalum ("LCT") pegmatite potential within the Company's Pharos Project to a 50km long corridor.

Initial field reconnaissance including geological mapping and rock chip sampling has now been completed at Poona East and Poona West (Figure 3). The objectives of the campaign were to;

1. *Evaluate the effectiveness of limited historic RC drilling*
2. *Obtain structural information to allow optimal planning of the initial stratigraphic RC drill test of existing targets*
3. *Inspect areas of previous high lithium rock chip results*
4. *Determine the potential for additional LCT pegmatites and the lateral extent of the corridor*


Figure 1: LCT pegmatite sample (upper) and metasomatized lithium rich schistose wall rock (lower) adjacent to values of 1.94% Li_2O and 1.72% Li_2O respectively.

Historic RC drill testing at Poona East consisted of 3 holes approx. 400m apart (Figure 3). PORC001 drilled parallel to the north dipping pegmatite and only clipped the unit at the surface. PORC002 was collared in one pegmatite which was only partially intersected and interestingly intersected a second pegmatite at depth suggesting a shallow north dip to the system. PORC003 drilled in a faut blank and failed to intersect any pegmatite.

Poona West historic RC drilling consisted of two holes at outcropping unmineralised simple pegmatites and failed to intersect any mineralisation. Significant complex LCT pegmatites were mapped by Scorpion 100 to 200m metres south of this drilling and remain unsampled and untested.

Mapping so far has confirmed multiple LCT pegmatites in both areas that are oriented sub parallel to the granite contact and are shallow dipping to the north (Poona East) and northeast (Poona West). Shallow dipping pegmatite orientation is a characteristic of significant LCT pegmatite systems.

Inspection of historic rock chip areas has, importantly, confirmed the presence of zonation within the LCT pegmatites across their width and along strike including:

Border	Mineralised schistose wall rock adjacent to the LCT pegmatites (Figure 1)
Wall	Mica rich margins
Intermediate	Mixed quartz, feldspar, mica, lepidolite and potentially spodumene (Figures 4 & 5)
Core	Predominantly quartz rich zones/cores withing the LCT pegmatites

The quartz cores are the most resistant to weathering and tend to be on some cases the only surface expression of the underlying pegmatite. RC drilling is required to properly assess these targets.

<u>Next Steps</u>

Scorpion plans to undertake the following work programmes during the December quarter and further updates on progress will be provided in due course:

- *Follow up geological mapping and rock chip sampling (underway)*
- *High resolution Airborne photography has been completed to aid detailed mapping*
- *Initial RC drill testing of existing targets*
- *Additional heritage clearing to allow access to the expanded pegmatite target area*

For additional background on Pharos Project information please refer to ASX releases:

25/06/2020	*"Pharos Project Exploration Update"*
09/07/2020	*"High Grade Gold Rock Chips - Pharos Project"*
13/08/2020	*"Drilling to Commence – Pharos Project"*
31/08/2020	*"Commencement of Drilling - Pharos Project"*
28/09/2020	*"High Grade Gold Confirmed at Lantern - Pharos Project"*
08/10/2020	*"Phase 2 RC Drilling Commenced- Pharos Project"*
02/11/2020	*"Priority PGE Ni-Cu Targets – Pharos Tenement"*
24/11/2020	*'Further High-Grade Gold Results – Pharos Project"*
08/02/2021	*"Term Sheet – Iron Ore Rights at Pharos"*
08/04 2021	*"PGE-Ni-Cu Targets Identified at Pharos Project"*
28/04/2021	*"Fenix Iron Ore JV Update – Pharos"*
16/06/2021	*"Pallas PGE-Ni-Cu Target – Pharos"*
23/06/2021	*"Multiple Commodity Targets Identified at Pharos"*
13/07/2021	*"Fenix Iron Ore JV and Pallas PGE Target Exploration Update"*
21/07/2021	*"Iron Ore Targets Advanced and Drilling Expedited – Fenix JV"*
12/08/2021	*"RC Drilling Commences at Pharos Gold Targets"*
23/08/2021	*"Completion of Drilling at Pharos Gold Targets"*
20/10/2021	*"New Shallow High-Grade Gold Zone Confirmed at Cap Lamp"*
06/12/2021	*"Scorpion increase Murchison Footprint"*
07/02/2022	*"Scorpion Acquires Poona Project"*
11/02/2022	*"Poona Tech Review Highlights Multiple PGE-Ni-Cu & Au Targets"*
14/02/2022	*"Multiple Lithium Targets Identified at Pharos Project"*
02/03/2022	*"Pharos Lithium Corridor Extended to 50km"*

This announcement has been authorised by the board of directors of the Company.

-ENDS-

Enquiries

For more information, please contact:

Ms Bronwyn Barnes
Executive Chairman
T +61 (0) 417 093 256
info@scorpionminerals.com.au

Sam Burns
Six Degrees Investor Relations
T +61 (0) 400 164 067

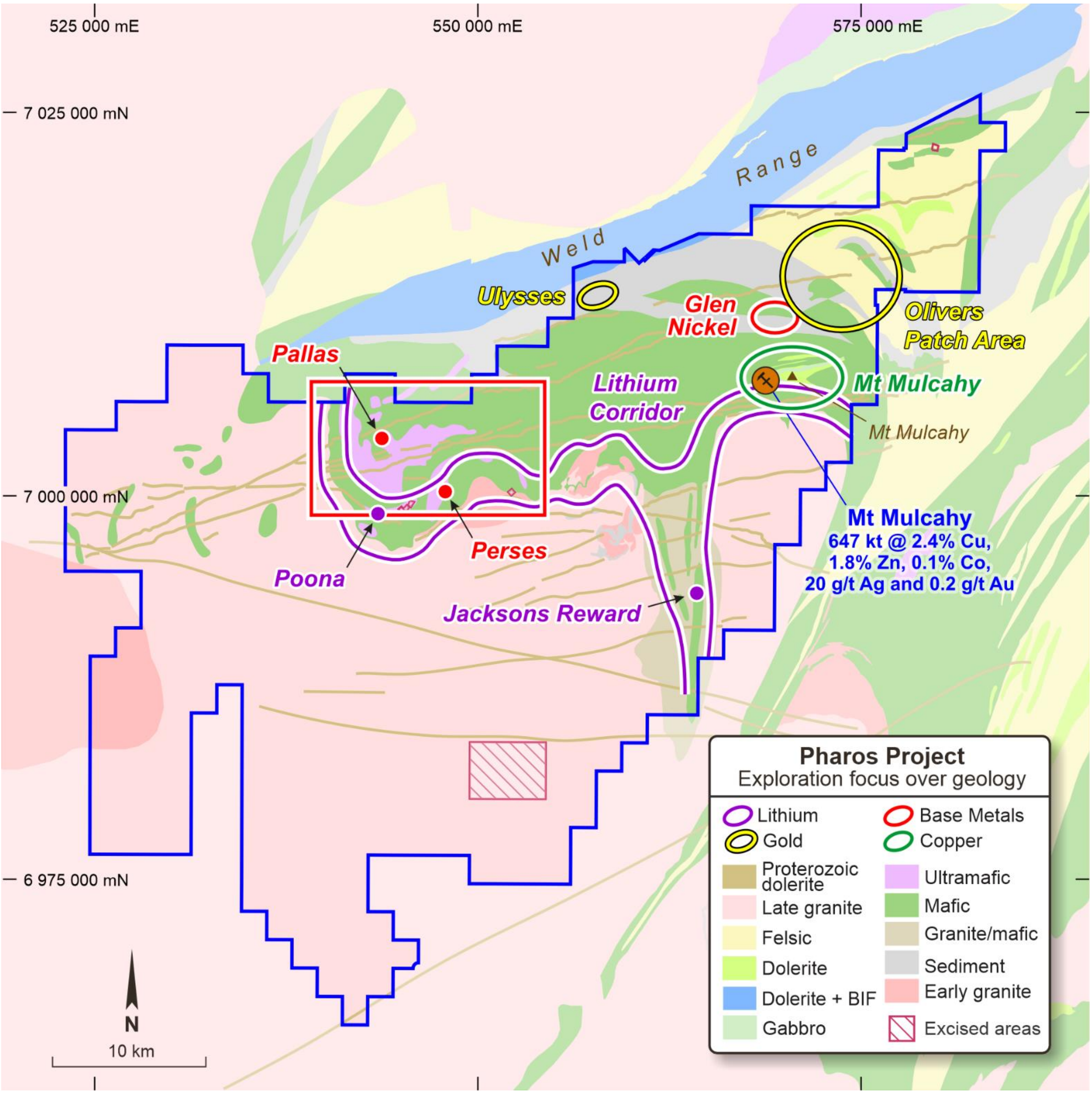

Figure 2: Location of Pharos Commodity Targets Mt Mulcahy Cu-Zn-Ag-Au Resource

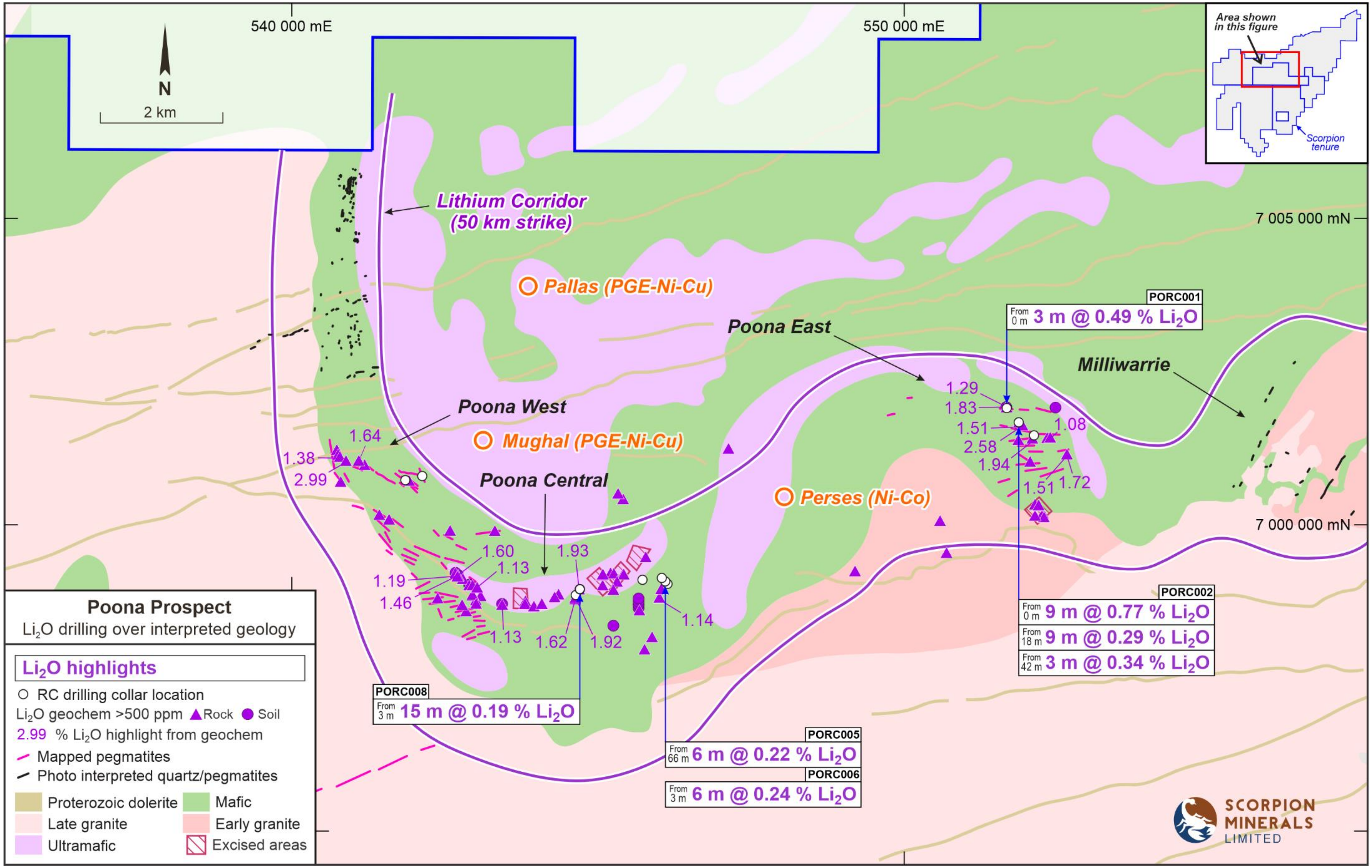

Figure 3: Poona Lithium Results over Interpreted Geology with Lithium Corridor highlighted

4a 4b 4c

Figure 4: Poona East - Coarse grained weathered pegmatite with lepidolite ground mass and possible elongate feldspar or spodumene crystals adjacent to outcrop samples of 2.58% Li_2O and 1.51% Li_2O.

4a – Close up of crystal structure
4b – Outcrop looking East
4c – outcrop looking West

5a **5b** **5c**

Figure 4: Poona West - Coarse grained weathered pegmatite with lepidolite ground mass and possible elongate feldspar or spodumene crystals adjacent to outcrop sample of 2.99 Li_2O.

5a – Close up of crystal structure
5b – Outcrop
5c – outcrop looking West

About Scorpion Minerals Limited

Scorpion Metals Limited (ASX:SCN) are an Australian mineral exploration and resource development company with a focus on creating wealth for shareholders through the discovery of world-class deposits, over a diversified range of minerals. Our current efforts are centred on our Pharos Project, located in the Murchison Province of Western Australia.

The Pharos Project

The Pharos Project consists of 1,544 square kilometres of granted tenure, located northwest of the small mining town of Cue (approximately 50 km) in the Murchison Mineral Field. The project is easily accessible from the Great Northern Highway by the sealed Jack Hills Mine access road and then by unsealed tracks. Scorpion holds a 100% interest in the project.

The project is prospective for lithium, PGE-Ni-Cu, gold, iron ore, and VMS hosted Cu-Zn-Ag Au mineralisation, and contains the Mt Mulcahy deposit. The 'South Limb Pod' zone of mineralisation at Mt Mulcahy contains a JORC 2012 Measured, Indicated and Inferred Resource of 647,000 tonnes @ 2.4% copper, 1.8% zinc, 0.1% cobalt and 20g/t Ag.

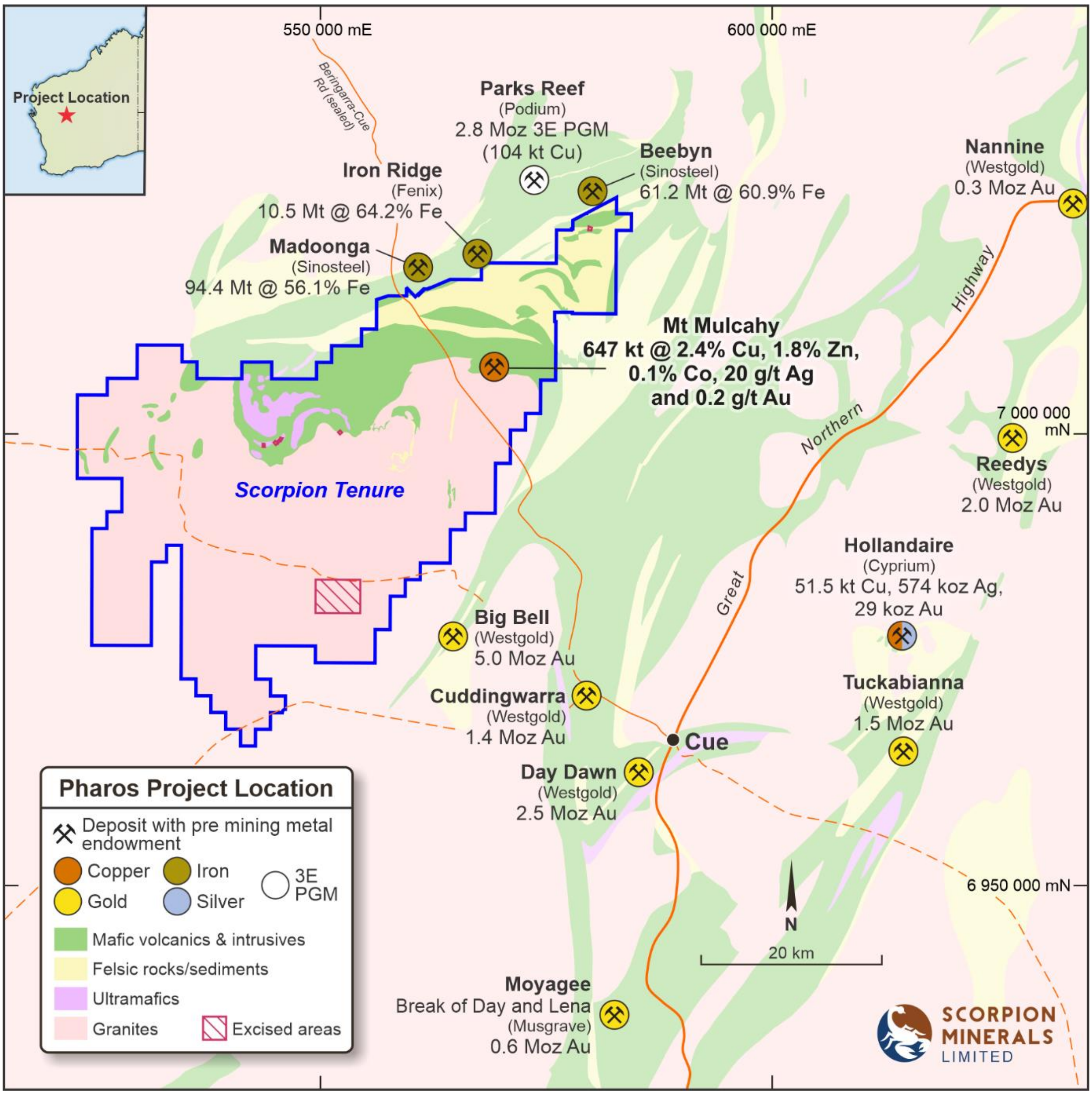

Figure 6: Location of Scorpion Minerals Pharos Project and Regional Resources

Table 1: Current Mineral Resource Estimate, Mt Mulcahy Project

(refer ASX release 25/9/2014 "*Maiden Copper - Zinc Resource at Mt Mulcahy*", which also contains a list of significant drill intersections for the deposit, listed within that report at Table 2)

Mt Mulcahy South Limb Pod Mineral Resource Estimate											
Resource Category	Grade						Contained Metal				
	Tonnes	Cu (%)	Zn (%)	Co (%)	Ag (g/t)	Au (g/t)	Cu (t)	Zn (t)	Co (t)	Ag (oz)	Au (oz)
Measured	**193,000**	3.0	2.3	0.1	25	0.3	5,800	4,400	220	157,000	2,000
Indicated	**372,000**	2.2	1.7	0.1	19	0.2	8,200	6,300	330	223,000	2,000
Inferred	**82,000**	1.5	1.3	0.1	13	0.2	1,200	1,100	60	35,000	
TOTAL	**647,000**	**2.4**	**1.8**	**0.1**	**20**	**0.2**	**15,200**	**11,800**	**610**	**415,000**	**4,000**

Competent Persons Statement 1

The information in this report that relates to the Exploration Results and Mineral Resources at the Mt Mulcahy and Pharos Projects is based on information reviewed by Mr Michael Fotios, whom is a member of the Australian Institute of Mining and Metallurgy. Mr Fotios is a consultant to Scorpion Minerals Limited and has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activity he is undertaking to qualify as Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code 2012)'. Mr Fotiosl consents to the inclusion of the information in the form and context in which it appears.

Competent Persons Statement 2

The information in this report that relates to the Mt Mulcahy Mineral Resource is based on information originally compiled by Mr Rob Spiers, an independent consultant to Scorpion Minerals Limited and a then full-time employee and Director of H&S Consultants Pty Ltd (formerly Hellman & Schofield Pty Ltd), and reviewed by Mr Hall. This information was originally issued in the Company's ASX announcement "Maiden Copper-Zinc Resource at Mt Mulcahy", released to the ASX on 25th September 2014. 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. The company confirms that the form and context in which the findings are presented have not materially modified from the original market announcements.

Forward Looking Statements

Scorpion Minerals Limited has prepared this announcement based on information available to it. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this announcement. To the maximum extent permitted by law, none of Scorpion Minerals Limited, its Directors, employees or agents, advisers, nor any other person accepts any liability, including, without limitation, any liability arising from fault or negligence on the part of any of them or any other person, for any loss arising from the use of this announcement or its contents or otherwise arising in connection with it. This announcement is not an offer, invitation, solicitation or other recommendation with respect to the subscription for, purchase or sale of any security, and neither this announcement nor anything in it shall form the basis of any contract or commitment whatsoever. This announcement may contain forward looking statements that are subject to risk factors associated with exploration, mining and production businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimations, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory changes, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimate.