

Scorpion Appoints Lithium Industry Pioneer as CEO to Drive Next Phase of Growth

- Australian mining and lithium industry executive Michael Fotios appointed as CEO to drive development of highly prospective Murchison lithium portfolio
- Mr Fotios has a strong track record taking projects from exploration through to production, playing a key role in the development and recommissioning of the Mt Cattlin Lithium Mine in WA
- As founding MD of Galaxy Resources in 2006 and subsequently Executive Chairman of General Mining Corporation, Mr Fotios created significant shareholder value with the public listing of Galaxy in 2007 followed by a \$216M friendly merger of General Mining and Galaxy in 2016
- CEO appointment complemented by strengthening of management team and renewal of mandate with strategic advisor Airguide
- SCN's leadership to advance engagement with future strategic partners, while continuing steps towards resource definition at current projects
- Bronwyn Barnes to resume the role of Non-Executive Chairman
- Airguide's Michael Langford joins Scorpion as Chief Investment Officer and Kate Stoney transitions from Non-Executive Director to Executive Director - Finance
- Strategic negotiations with Obsidian Metals Group ongoing to extend the remit of the existing agreement beyond WA

Scorpion Minerals Limited (ASX:SCN) (**Scorpion, SCN or the Company**) is pleased to advise the appointment of highly experienced mining industry executive Michael Fotios as Chief Executive Officer with immediate effect.

Mr Fotios is widely regarded as a lithium industry pioneer, having been one of the first Australian mining executives to identify the potential of the battery minerals sector. Mr Fotios has an extensive and successful track record of taking projects from discovery through to development and production. More specifically in the lithium sector, he was a founder and former Managing Director of both Galaxy Resources Ltd and General Mining Corporation Ltd, which now form part of the newly merged entity Allkem, the fifth largest lithium producer internationally with a market capitalisation of \$9.81 billion.

Mr Fotios has been mandated by the Board of SCN to advance the Company's Youanmi and Pharos Projects in the Murchison Region of Western Australia, as well as pursue and develop additional project opportunities that complement SCN's existing strategy.

Mr Fotios will lead an expanded management team that includes experienced mining industry executives Michael Langford and Kate Stoney. Mr Langford joins Scorpion as Chief Investment Officer as part of a renewed mandate with Airguide, the Company's strategic advisor. Ms Stoney transitions from Non-Executive Director to Executive Director – Finance, while the Company's Executive Chairman Bronwyn Barnes reverts to the role of Non-Executive Chairman.

BOARD OF DIRECTORS

Ms Bronwyn Barnes
Non-Executive Chairman

Ms Kate Stoney
Executive Director - Finance, Joint Company Secretary

Mr Michael Kitney
Non-Executive Director

MANAGEMENT

Mr Michael Fotios
Chief Executive Officer

Mr Michael Langford
Chief Investment Officer

Mr Josh Merriman
Joint Company Secretary

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Scorpion is currently awaiting assays results from a recent infill drilling programme at Youanmi (refer ASX release 30 May 2023), which was designed to follow-up the maiden drilling programme which returned encouraging high-grade lithium results from stacked LCT pegmatites.

Company Comment – CEO Michael Fotios

“I am truly excited to be joining Scorpion as CEO at this exciting phase in the Company’s growth and development. Scorpion has established an enviable exploration footprint in the Murchison Region of WA, with the results from exploration work completed to date clearly demonstrating the potential for an economic lithium discovery to be hosted within our tenure.

Scorpion is extremely well positioned to leverage the continued demand growth in global lithium markets over the coming years, as we aggressively advance our existing projects and assess new strategic project opportunities in the sector as they arise.

I would like to take this opportunity to thank Bronwyn Barnes for her leadership and considerable strategic input during her time as Executive Chair and we look forward to her continued contribution to Scorpion’s strategy. We also welcome Michael Langford to the Scorpion management team as CIO and we look forward to continuing to work closely with Airguide as activity increases over the coming months.”

Michael Fotios – Lithium Experience and Background

Michael Fotios is a geologist specialising in economic geology, with extensive experience across a variety of minerals. He is principal consultant to Obsidian Metals Group Pty Ltd, which was appointed as technical advisor to Scorpion in April 2022 and was responsible for the introduction of the Youanmi Lithium Project to the Company.

As founding Managing Director of Galaxy Resources Ltd (“Galaxy”), Mr Fotios oversaw the progression of the future Mt Cattlin Mine from a maiden mineral resource estimate through to the bankable feasibility study stage. Michael later served as Executive Chairman of General Mining Corporation Ltd (“GMM”), which entered into a joint venture with Galaxy to profitably mine Mt Cattlin and establish GMM as an independent supplier of spodumene concentrate to the global lithium market. Mr Fotios was joined on the Board of GMM by Mr Michael Kitney, a current director of Scorpion.

Mr Fotios’ tenure at GMM included the creation of significant shareholder value, culminating in the acquisition of GMM by Galaxy in 2016 in a transaction valued at \$216 million. Galaxy’s subsequent merger with Orocobre Ltd (now Allkem Ltd) produced the fifth-largest global lithium producer. With associated entities, Mr Fotios was also a long-term substantial shareholder in Liontown Resources Ltd during the exploration phase of the Kathleen Valley Lithium Project, now under development as one of the world’s largest lithium mines.

In accordance with ASX Listing Rule 3.16.4, the material terms of Mr Fotios’ contractual arrangements are summarised in a schedule to this announcement.

Additional Board and Management Changes

Mr Michael Langford joins Scorpion as Chief Investment Officer (CIO) with immediate effect, to lead engagement with potential strategic partners for the development of the Company’s projects. Mr Langford has over 20 years of experience in the global commodities sector and is a principal of Airguide International Pte. Ltd., whose consulting arm Airguide Advisory (“Airguide”) was appointed as strategic advisor to the Company in June 2022.

The Company has renewed its existing mandate with Airguide, which has a track record of securing partnerships and investment agreements for ASX-listed clients. The renewed mandate provides for Airguide to be issued performance-based incentive options tied to the securement of strategic partnerships and stages of project funding, the issue of which are subject to receiving any required regulatory approvals.

Ms Kate Stoney, a Non-Executive Director of the Company since February 2021, has transitioned to Executive Director – Finance with immediate effect. Ms Stoney’s remuneration as a director will accordingly increase from \$42,000 per annum to \$60,000 per annum, plus any statutory superannuation.

With the appointment of a CEO to lead the management team, Ms Bronwyn Barnes has resumed the role of Non-Executive Chairman. Ms Barnes’ remuneration as a director will accordingly reduce from \$120,000 per annum to \$80,000 per annum (plus any statutory superannuation), while the other terms of her engagement remain unchanged.

The Company also advises the appointment of Mr Josh Merriman as Joint Company Secretary, with Ms Stoney continuing as Joint Company Secretary. For the purposes of ASX Listing Rule 12.6, the Company confirms that each of Ms Stoney and Mr Merriman will be responsible for communication with ASX in relation to listing rule matters.

Additionally, the Company’s registered office has moved to the below address with immediate effect:

Level 2, 50 Kings Park Rd
West Perth WA 6005

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

-ENDS-

Investor and Media Enquiries:

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About Scorpion Minerals Limited

Scorpion Minerals Limited (ASX:SCN) is 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 and Youanmi Projects, located in the Murchison Province of Western Australia.

The Pharos Project

The Pharos Project consists of 1,544 square kilometres of granted tenure, located approximately 50km northwest of the small mining town of Cue 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 VMS deposit.

The Youanmi Project

The Youanmi Project consists of 279 square kilometres of granted tenure, located approximately 130 kilometres northeast of the small mining centre of Payne's Find in the East Murchison Mineral Field. The project is easily accessible from the Great Northern Highway by the Payne's Find-Sandstone road which cuts the southern end of the project area and then by unsealed station tracks. Scorpion holds an option to purchase a 100% interest in the project, which is prospective for lithium, PGE-Ni-Cu, gold and vanadium mineralisation.

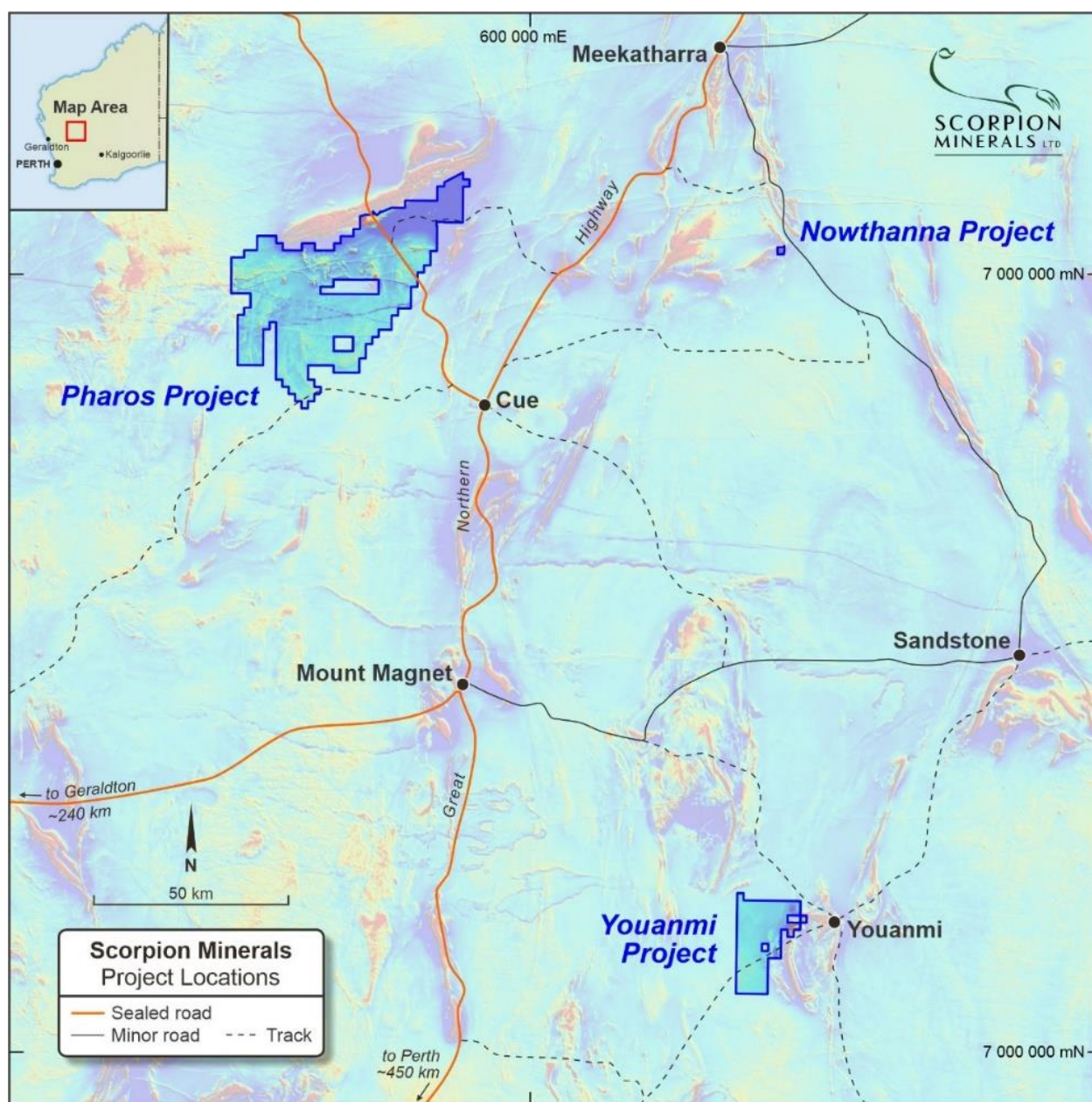


Figure 1: Location of the Company's Pharos, Youanmi and Nowthanna Projects

Schedule -Key Terms of CEO Remuneration

The material terms of the agreement between the Company and Mr Fotios for CEO Services are as follows:

- (a) **(Services):** Mr Fotios will provide CEO services to the Company, including organisation, planning, leading, motivating and co-ordinating the activities of the Company to reach the Company's set out objectives;
- (b) **(Remuneration):** The Company agrees to:
 - (i) pay Mr Fotios an annual salary of \$350,000 plus any required statutory superannuation;
 - (ii) issue 21,000,000 Options (exercisable at \$0.12, with various expiry dates) which are to be issued in three (3) separate tranches and subject to vesting conditions in connection with the Company finalising an agreement with a strategic partner/acquiring a new project/announcing a JORC mineral resource at one of the Company's current projects; and
 - (iii) issue 9,000,000 Options (exercisable at \$0.00, with various expiry dates) which are to be issued in three (3) separate tranches and subject to tenure based vesting conditions that will be achieved at the conclusion of each year of service.
- (c) **(Termination):** The Agreement may be terminated by either Party, by providing not less than three (3) months' written notice.

The CEO agreement otherwise contains terms which are considered standard for agreements of this nature.