

SETTLEMENT OF DISPUTE AT RED MOUNTAIN PROJECT, USA

Astute maintains ownership of full surface area of Red Mountain Project



Key Highlights

- **Red Mountain claims dispute now settled, with Astute to acquire competitor claims.**
- **Maiden Red Mountain drilling campaign now scheduled to commence in the week of 20 May 2024.**
- **Agreement with the University of Alberta to supply lithium clay samples for the development of innovative lower-cost and environmentally friendly lithium extraction.**
- **Additional 'extension' claims staked along the south-western margin of the Red Mountain Project.**

Astute Metals NL (ASX: ASE) ("ASE", "Astute" or "the Company") is pleased to advise it has entered into a binding settlement with Rubicon, the owner of competing claims at its Red Mountain Lithium Project in located in the highly prospective lithium claystone district of Nevada, USA.

Under the terms of the settlement, the Company has agreed to pay Rubicon \$US75,000 on signing and a further \$US75,000 in 12 months. The detailed terms of the settlement are confidential and reflect no admission of liability by either party.

The settlement represents an excellent outcome for the Company, providing certainty of tenure over the whole of the Red Mountain Property, an updated map of which is shown in Figure 1.

Astute Chairman, Tony Leibowitz, said:

"We are delighted to have finally secured a settlement, allowing us to move forward with the exploration of this exciting lithium claystone asset. The settlement of the dispute means that Astute now has ownership of the full surface area at Red Mountain, clearing the way for us to unlock the value of the Project. Our maiden drill program at Red Mountain is imminent, with the allocated rig expected to be on site next week and drilling operations scheduled to begin shortly thereafter. This is an exciting time for our lithium exploration program in Nevada."

Maiden Drilling Campaign Update

The full rebuild of the rig allocated for the Red Mountain campaign is approaching completion (see Figure 2). Accordingly, the maiden drilling campaign at Red Mountain has a revised commencement, with the rig expected to arrive on site and start drilling during the week commencing 20 May 2024.

The campaign will comprise a total of 10 drill sites for approximately 1,500m/5,000ft, subject to ground conditions encountered and rock types intersected during initial drilling. The planned drilling covers a wide strike of the observed lithium-in-soil anomaly, with holes testing strategic points over a 5km north-south extent, with an objective to test for thickness and grade of lithium mineralisation in the sub-surface¹.

The planned drilling will provide the Company with an excellent understanding of the potential of the Red Mountain Project to host a significant lithium clay deposit.

University of Alberta Collaboration

The Company has executed an agreement with the University of Alberta ('UoA') for a collaboration project studying methods of extracting lithium from clay, with the objective of developing lower-cost and environmentally friendly processing methods.

Under the agreement, the Company will provide lithium-bearing clay samples from its Projects, and UoA will undertake mineralogy and extraction testwork on the samples, at no cost to Astute. This work forms part of a PhD study being undertaken at UoA, and positive outcomes from the collaboration may assist the Company in advancing its Nevada lithium projects in due course.

The Company intends to supply samples from its recent drilling at the Altair Project as well as samples from the imminent drilling program at Red Mountain.

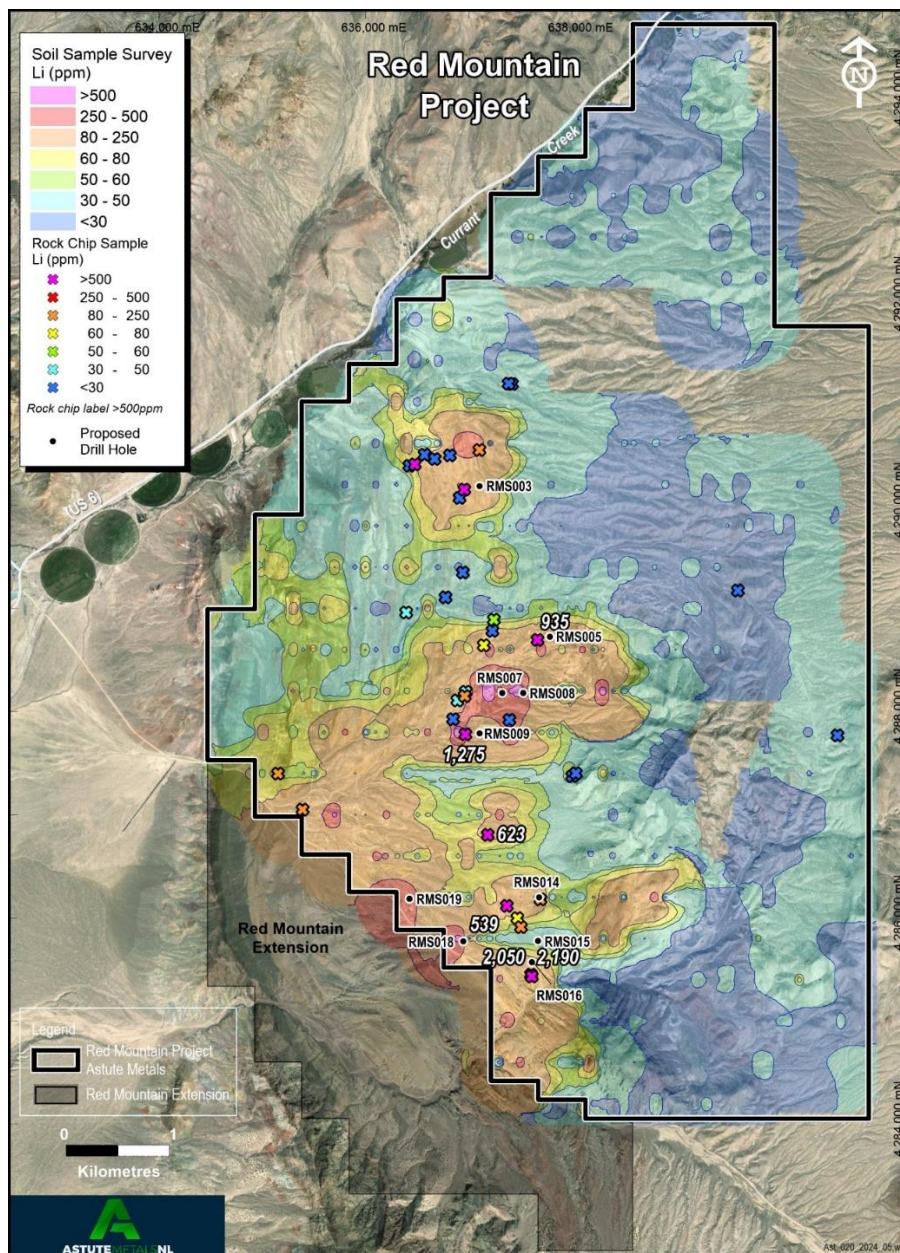


Figure 1. Permitted drill hole locations and gridded lithium soil geochemistry rock chip samples at Red Mountain, showing the recently staked Red Mountain Extension area.

Additional Claims Staked

The Company has staked an additional 102 claims on the south-western boundary of the Red Mountain Project.

This new claim area, named 'Mountain Extension', abuts a zone of strong lithium-in-soil anomalism which may have further potential for lithium mineralisation. It is located on a Wilderness Study Area that has been recommended for return to multiple uses (which may allow ground disturbing exploration) by the Federal Bureau of Land Management, however this requires an act of Congress in order to be effected.

The Company has staked this ground with a view that, should exploration drilling at Red Mountain result in the discovery of a lithium deposit, the extension claims may contain an along-strike extension of such a deposit. The Company will seek to advance the Red Mountain Extension area if and/or when this occurs. The location of the new claims area is shown as a shaded grey polygon in Figure 1.



Figure 2. Workshop re-assembly of the Reverse-Circulation drill rig ahead of its mobilization to Red Mountain.

Kibby Basin

The Kibby Basin Project area abuts Belmont Resources' (TSX-V: BEA, 'Belmont') lithium brine project, and was originally located on the basis of the prospectivity of the adjacent Belmont Project². Subsequent exploration drilling by Belmont and then JV Partner Marquee Resources (ASX: MQR) resulted in the identification of only weak lithium concentrations in brine and low-level lithium clay mineralisation, neither of which are considered by Astute to have ultimate economic potential.

Following a review by the Company, this lack of prospectivity is considered to extrapolate to the Kibby Basin Project area and, in light of this, the Company has decided that it will not undertake any further investment in exploration on this Project area.

¹ ASX: ASE 28 March 2024 'Astute gears up for maiden drilling campaign at Red Mountain Lithium Project, USA'

² ASX: ARO 1 June 2022 'Astro secures highly prospective US lithium project and 80% interest in Australian IOCG project'

Authorisation

This announcement has been authorised for release by the Board of Astute.

More Information

Matt Healy
Executive Director
mhealy@astutemetals.com
+61 (0) 431 683 952

Nicholas Read
Media & Investor Relations
nicholas@readcorporate.com.au
+61 (0) 419 929 046

Competent Persons

The information in this report is based on information compiled by Mr Matthew Healy, a Competent Person who is a Member of The Australasian Institute of Mining and Metallurgy (AusIMM Member number 303597). Mr Healy is a full-time employee of Astute Metals NL and is eligible to participate in a Loan Funded Share incentive plan of the Company. Mr Healy 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 Healy consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.