**ASX Announcement**
**19 February 2025**

# Perpetual secures transformational landholding in the heart of Brazil's Lithium Valley, nearby Sigma Lithium's producing spodumene complex, with multiple high-grade assays >7.6% $Li_2O$



## HIGHLIGHTS

- **Perpetual enters into agreement to acquire three (3) high-potential and advanced exploration licenses** ("licenses") in the heart of Brazil's "Lithium Valley", in the State of Minas Gerais, located <3km from Perpetual's existing Isabella lithium project.
- **Expands Perpetual's Central Lithium Valley landholding by c.3x** strengthening the ongoing strategy of exploring and consolidating highly prospective projects in this world-class region.
- Project areas feature **2,559 hectares of highly prospective lithium exploration ground** featuring outcropping spodumene and numerous artisanal mines with historic assays including[1]:
    - Rockchip 2: **7.6% $Li_2O$**.
    - Rockchip 4: **7.5% $Li_2O$**.
    - Rockchip 5**: 7.4% $Li_2O$**.
    - Rockchip 1: **6.8% $Li_2O$**.
    - **1m channel** sample assays up to **3.26% $Li_2O$**.
- Outcropping pegmatites containing **spodumene crystals >50cm in length** & evenly distributed throughout the exposure **(~20% spodumene estimated within the visual outcrop)**[2] (Figure 2).
- **Multiple targets within license areas approaching drill ready status** which compliments Perpetual's existing Isabella Lithium Project which has **wide-spread high-grade spodumene mineralisation along trends >1km with assays up to 6.8% $Li_2O$.**
- **Maiden drill program planned for 1HCY25**, targeting outcropping spodumene-rich pegmatites.
- **Exploration Manager relocating to Brazil** to oversee and manage 2025 exploration activities.
- Licenses are strategically located **nearby Sigma Lithium's Grota do Cirlo operations which is the largest hard rock lithium production complex in South America and is the second lowest cash cost producing spodumene complex in the world**[3].
- Licenses are also **proximal and/or directly adjacent to other emerging spodumene projects** held by Sigma Lithium, Lithium Ionic and Atlas Lithium, **with extrapolated trends indicating potential continuity of known high priority targets into Perpetual's new licenses** (Figures 1 & 3).
- Perpetual will partner with vendor K2 Mineração & Exportação Ltda, a seasoned Lithium Valley operator with decades of experience, to provide expert local operational support.
- **Perpetual's in-country team is currently on-site** conducting additional reconnaissance activities to expand on known spodumene occurrences, develop high-potential targets, and rapidly advance the project.

*1 See table on page 3 for complete set of results.*
*2 The company cautions that visual estimates of mineral abundance should never be considered a proxy or substitute for laboratory analysis. Descriptions of the mineral amounts seen in outcrop are qualitative visual estimates only. Refer to Compliance Statements - Cautionary Statement on Visual Estimates.*
*3 SIGMA LITHIUM REPORTS 1Q 2024 RESULTS: MAY SHIPMENT PRICED AT $1,290, INCREASED 25% FROM 1Q; PRODUCTION COSTS AT $397/t, 2ND LOWEST IN INDUSTRY - Sigma Lithium.*

**Perpetual Resources Ltd**
**T:** 08 6256 5390
**E:** info@perpetualresources.co
**W:** perpetualresources.co
**ACN:** 154 516 533
**Principal & Registered Office:**
Suite 2, 68 Hay Street, Subiaco, Western Australia 6008

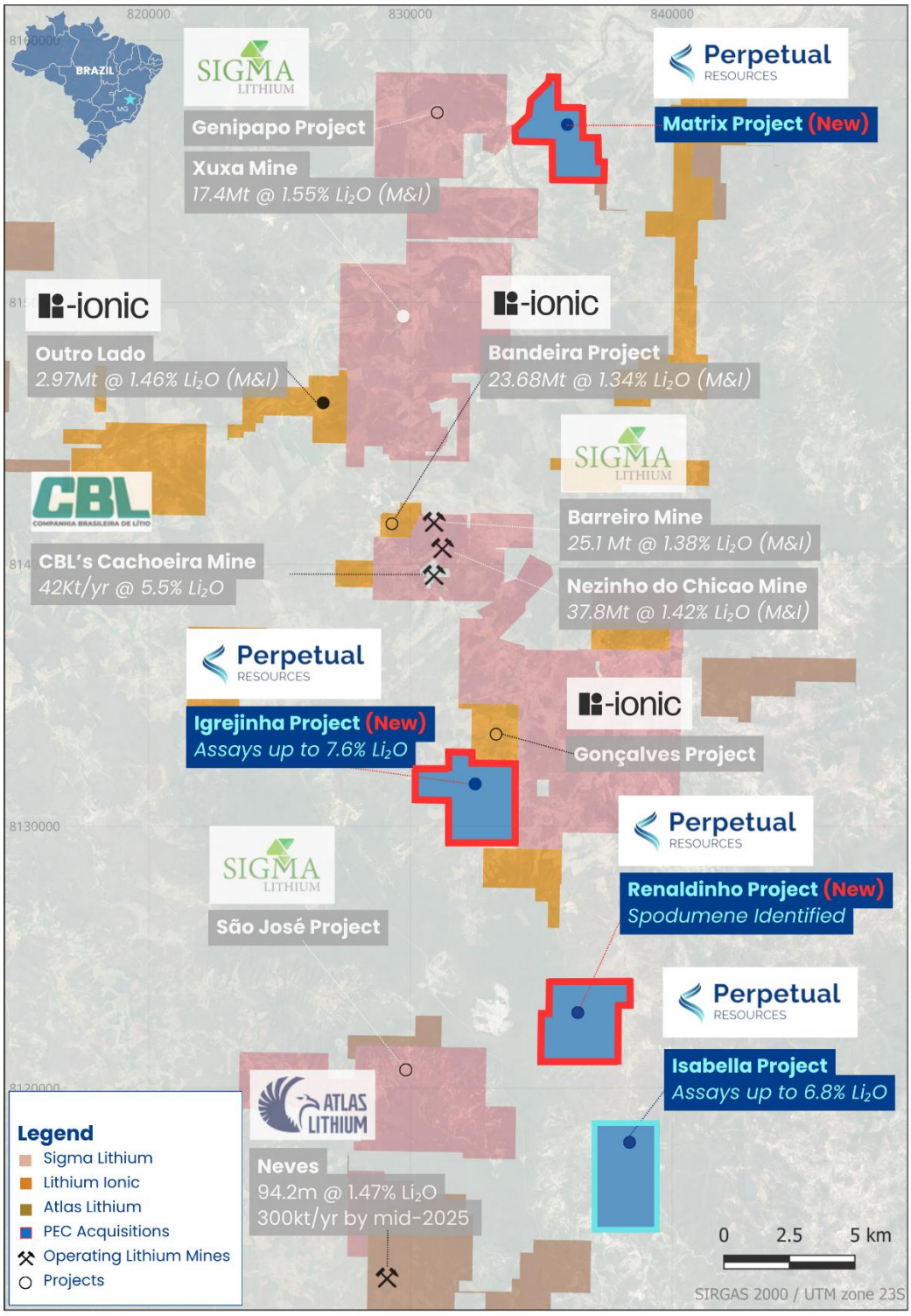


**Figure 1 - Regional map showing Perpetual's newly acquired tenement areas (bold red outline) as well as Perpetual's existing Isabella Project (light blue outline), all located within Brazil's Lithium Valley[4][5][6][7][8].**

[4] *Refer to CBL's website as of 22nd March 2024: https://www.cblitio.com.br/en/mining*
[5] *https://www.atlas-lithium.com/news/atlas-lithium-intersects-1-47-li2o-over-95-2-meters/*
[6] *Lithium Mines & Li Deposit points available from ANM Online Database: https://geo.anm.gov.br/portal*
[7] *For previously released Isabella Project results, please refer to ASX Announcement dated 18th December 2024.*
[8] https://sigmalithiumresources.com/sigma-lithium-significantly-increased-audited-mineral-resource-by-27-to-109mt-grota-do-cirilo-in-brazil-becomes-worlds-4th-largest-operating-industrial-pre-chemical-lithium-beneficiation-mini/

Perpetual Resources Ltd ("**Perpetual**" or "**the Company**") (ASX: PEC) is pleased to announce that it has entered into a definitive option agreement (herein referred to as "the Acquisition" or "the Agreement"), securing up to 90% of three (3) advanced lithium exploration tenements all situated in the prolific "Lithium Valley" region of Minas Gerais, Brazil and located <3km from Perpetual's existing Isabella Lithium project. The tenements are registered under the Mineral Processes of the Brazilian National Mining Agency (ANM) with total project area granted of 2,559.11 hectares (see Table 2).

**In the heart of the Lithium Valley near Tier 1 projects & Sigma's operating spodumene complex.**

All licenses are located <10km from existing Tier-1 lithium exploration operations, as well as Sigma Lithium's Grota do Cirlo spodumene production complex, which is the largest hard rock lithium production complex in South America and is has the second lowest cost production costs in the world (see Figure 1 for location relative to nearby spodumene exploration and production assets).

**Perpetual Executive Chairman, Julian Babarczy, commented:**

*"This acquisition represents a transformational opportunity for Perpetual, achieving a critical mass for our advanced lithium exploration activities within one of the most exciting spodumene exploration districts on the planet. This acquisition also exhibits several critical factors which rank it exceptionally high in terms of prospectivity, including unrivalled location and proximity to known spodumene projects, confirmed lithium mineralisation of over 7.5% $Li_2O$, outcropping spodumene occurrences, walk-up drill targets and operational support from the vendor group, K2, who has been active in the region for decades.*

*Importantly, the acquisition will generate significant operational synergies with our existing Isabella Lithium Project and hosts near drill ready targets, with drilling aiming to commence later in the current half. We look forward to working with K2 Mineração as we quickly assess the new tenement areas and rapidly proceed to the drilling of this exciting project soon".*

**Assays Confirm High-Grade Spodumene at Igrejinha Project**

| SAMPLE | Coordinates[9] | | Cs (ppm) | Ta (ppm) | Li (ppm) | *Li2O (%)* | RPT[10] (%) | Comments |
|---|---|---|---|---|---|---|---|---|
| K2 Rockchip 1 | 193333 | 8132343 | 1,340 | 9.91 | **>25,000*** | ***5.38*** | ***6.8*** | Spodumene - Garimpo |
| K2 Rockchip 2 | 193333 | 8132343 | 319 | 4.66 | **>25,000*** | ***5.38*** | ***7.6*** | Spodumene - Garimpo |
| K2 Rockchip 3 | 193333 | 8132343 | 2,500 | 3.59 | 610 | *0.13* | | Rock Chip - Garimpo |
| K2 Rockchip 4 | 193333 | 8132343 | 387 | 0.76 | **>25,000*** | ***5.38*** | ***7.5*** | Spodumene -Garimpo |
| K2 Rockchip 5 | 193333 | 8132343 | 335 | 3.22 | **>25,000*** | ***5.38*** | ***7.4*** | Spodumene - Garimpo |
| K2 Rockchip 6 | 193333 | 8132343 | 2,420 | 1.93 | 500 | *0.11* | | Rock Chip - Garimpo |
| K2 Rockchip 7 | 193333 | 8132343 | 2,870 | 39 | **22,800** | ***4.91*** | | Spodumene - Garimpo |
| K2-24-01 | 193331 | 8132343 | 2,290 | 755 | 860 | 0.19 | | 1m Channel Sample |
| K2-24-02 | 193333 | 8132343 | **6,570** | 930 | 3,940 | 0.85 | | 1m Channel Sample |
| K2-24-03 | 193327 | 8132350 | **5,840** | **1,145** | 4,270 | 0.92 | | 1m Channel Sample |
| K2-24-04 ***(Fig.3)*** | 193333 | 8132346 | **5,560** | 256 | **15,150** | **3.26** | | 1m Channel Sample |
| K2-24-05 | 193337 | 8132345 | 3,880 | 525 | 4,150 | 0.89 | | 1m Channel Sample |

**Table 1 - Historical Assays taken from Igrejinha License (830851/2010)**

[9] All single samples use centroid coordinate at the centre of the artisanal workings, within a 15m radius of the reference point.
[10] *Repeat assays conducted using ME-ICP82b. Standard oxide conversion factor of 2.153 applied to assay results.*
* *Maximum detection limit reached*


**Figure 2 - PEC Team standing in front of outcropping spodumene-bearing pegmatite with individual spodumene crystals up to 50cm in size location of channel sample K2-24-04, located at artisanal workings at the Igrejinha License (830851/2010)** [11]

Independent rock chipping in 2024[12] confirmed significant high-grade spodumene mineralisation at the Igrejinha Project (License 830851/2010). Extensive artisanal workings have exposed outcropping pegmatites containing well-formed spodumene crystals, with individual crystals reaching up to 50cm in length and evenly distributed throughout the **exposure with percentage estimated at ~20% spodumene within the zone**[13] (see Figure 2). Analytical results from five 1-metre composite channel rock chip samples collected across the exposure highlight the spodumene-rich nature of the system, returning assay values of **up to 3.26% $Li_2O$, with a combined average grade of 1.22% $Li_2O$** (see Figure 2).

The occurrence of spodumene-bearing pegmatites within the Igrejinha Project license area aligns with a distinct topographical anomaly extending over 1 km, indicating potential for a scalable strike extension of the mineralized exposures. This interpretation is further supported by its location along strike from two anomalous soil trends identified by Lithium Ionic at their adjacent Gonçalves Project, which extrapolate into Perpetual's newly acquired Igrejinha Project (see Figure 3 below), underscoring the significant exploration potential within the license area.

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[11] *The company cautions that visual estimates of mineral abundance should never be considered a proxy or substitute for laboratory analysis. Descriptions of the mineral amounts seen in outcrop are qualitative visual estimates only. Refer to Cautionary Note – Visual Estimates*

[12] *Refer to JORC Code Table 1 for the Competent Person's Statement on sampling and QA/QC.*

[13] *The company cautions that visual estimates of mineral abundance should never be considered a proxy or substitute for laboratory analysis. Descriptions of the mineral amounts seen in outcrop are qualitative visual estimates only. Refer to Cautionary Note – Visual Estimates*

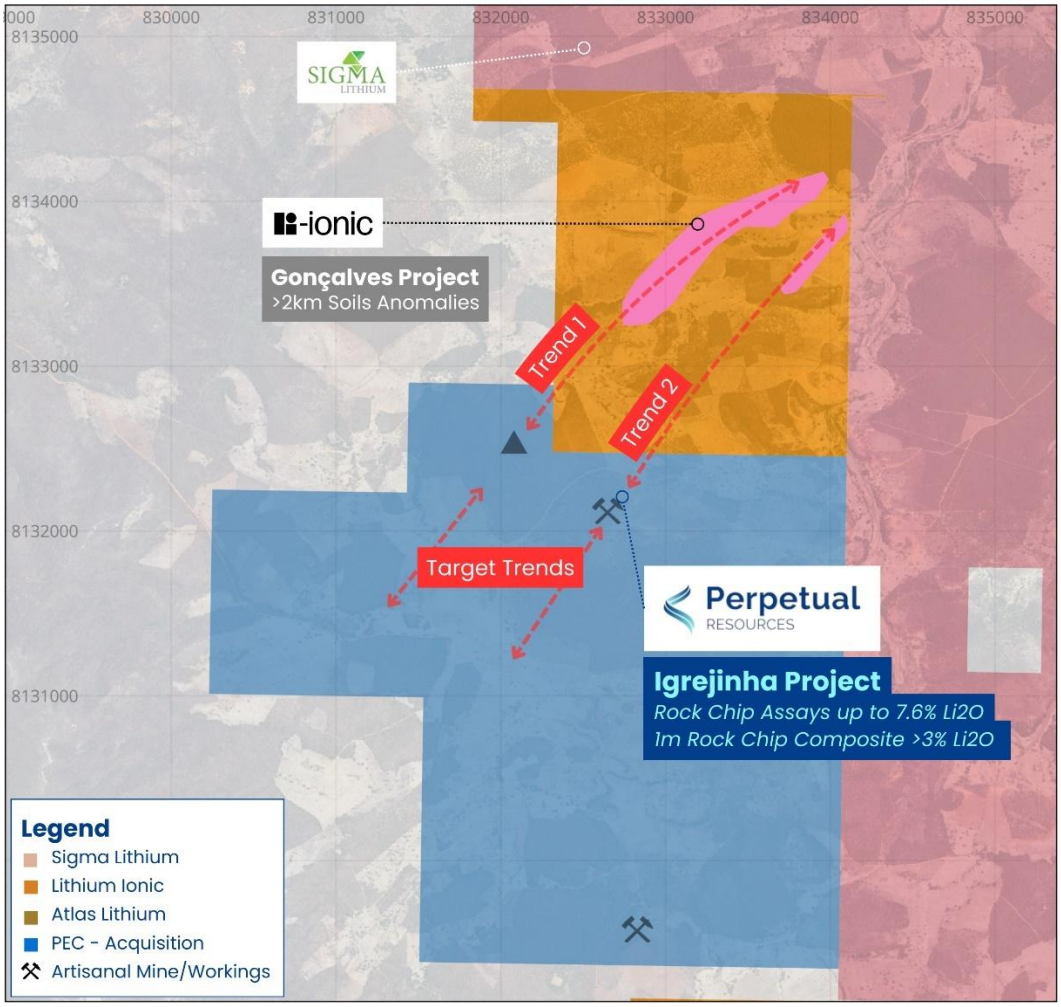


**Figure 3 - Igrejinha Project (830851/2010) showing location of high-grade rock chips (see table 1) and neighbouring soil Lithium Ionic soil anomaly with potential strike extensions into the license.[14]**

**Igrejinha License Reveals Significant Spodumene Exposure and Near-Term Drilling Potential**

Due to the significant outcropping of confirmed high grade spodumene bearing pegmatites at the Igrejinha license (See Figure 4), Perpetual considers that this license hosts exceptional virtually drill ready spodumene targets which are planned to be prioritized by Perpetual at its upcoming **maiden lithium drill program scheduled for 1HCY25.**

[14] *Refer to Goncalves/Area 5 project https://www.lithiumionic.com/projects/regional-potential/*

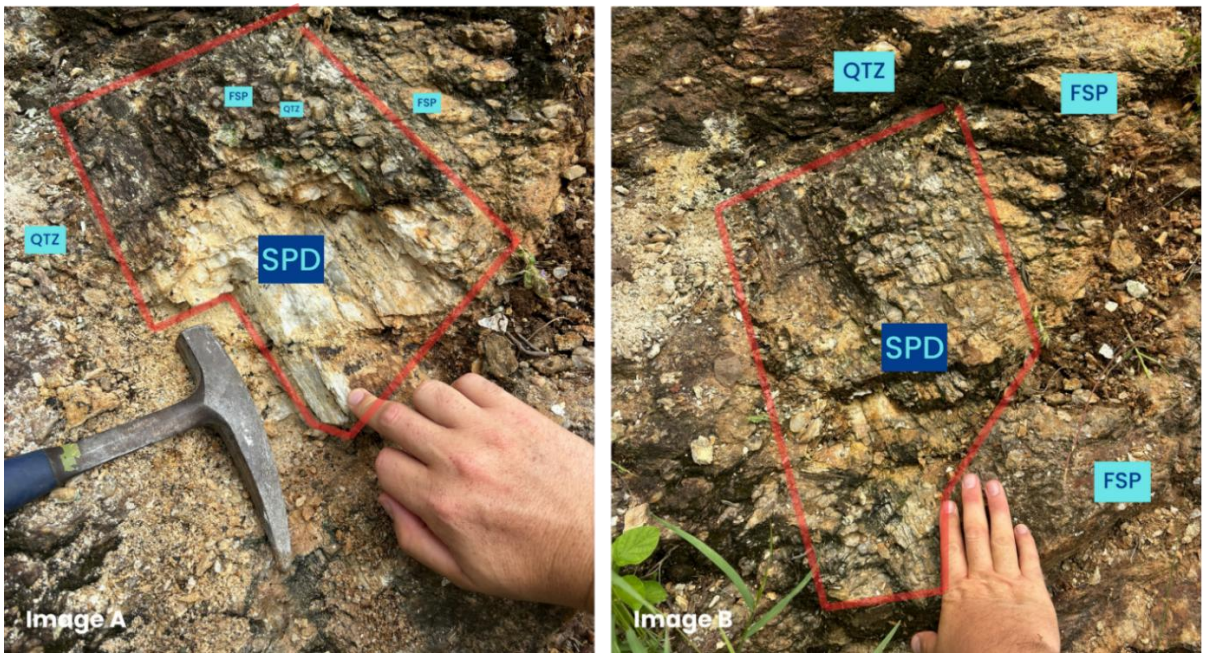


**Figure 4 -Image A & B: Close up and In-situ exposed Spodumene at Igrejinha Artisanal Working (830851/2010)[15]**

**Renaldinho Project**

The Renaldinho License (Refer to Figure 1) is strategically located in a highly prolific artisanal mining region, featuring over 60 artisanal workings across the area. These sites have historically targeted pegmatites for high-value gemstones, including beryl (aquamarine), elbaite (green tourmaline), and indicolite (blue tourmaline), all associated with fractionated, lithium-enriched pegmatite formations.


**Figure 5 – Image A & B – Kaolinized Samples from Artisanal workings at Renaldinho License (830224/2004)[16][17]**

*15 See Appendix B for full rock descriptions & locations.*
*16 See Appendix B for full rock descriptions & locations.*
*17 In relation to the disclosure of visual mineralisation above figures 4 & 5, the Company cautions that visual estimates of mineral presence should never be considered a proxy or substitute for laboratory analysis. See Compliance Statements.*

Initial reconnaissance has identified substantial pegmatites, with apparent thicknesses exceeding 10 meters. Notably, weathered spodumene exhibiting kaolinization has been observed at several artisanal workings (see Figure 5).


**Figure 6 - PEC Team investigating large Artisanal Working at Renaldinho License (830224/2004).**

The Renaldinho License is situated approximately 2 km north of the Isabella Project, where **spodumene grades of up to 6.8% $Li_2O$** have been previously reported. The proximity to this high-grade discovery, combined with early reconnaissance findings, highlights the significant potential for comparable lithium-bearing mineralization within the Renaldinho License. Further exploration activities are planned to assess and define the extent of these promising mineralized zones.

**Matrix**

The Matrix License (See Figure 1) contains an ornamental quarry exhibiting pegmatites within a cordierite-bearing schist, a common geological hallmark of the host rock for major lithium deposits in the region. Perpetual highlights that the area is located less than 2 km along trend/strike from several historical artisanal workings, documented by the ANM (Agência Nacional de Mineração) as containing lithium-bearing minerals such as petalite, spodumene, and amblygonite, as well as niobium and tantalum (ANM)[18].

The Matrix Project is located just 16 km from Sigma's Xuxa Mine and directly adjacent to Sigma's Genipapo Project (see Figure 1), an area with a history of mining lithium minerals, cassiterite (tin), columbite (niobium/tantalum), and tantalite. Active quarrying in the region exposes pegmatites in mining faces, providing valuable insights for developing exploration strategies. Despite its geological

*18 Mineral Processes of the Brazilian National Mining Agency -https://geo.anm.gov.br/portal/apps/webappviewer*

potential, no modern exploration has been conducted on the Matrix license, and PEC considers the area highly prospective for future discoveries.

| Tenement Name | License | Tenement Size (Ha) |
|---|---|---|
| Matrix Project (North) | 832169/1995 | 641.18 |
| Igrejinha Project (Central) | 830224/2004 | 928.56 |
| Renaldinho Project (South) | 830851/2010 | 989.37 |

**Table 2 – Overview of licenses and tenement sizes secured by Perpetual.**

**Drivers for Maiden Drilling Campaign Planned for 1H 2025**

Perpetual now has environmental exemptions ("dispensa ambiental") for the Isabella, Igrejinha, Renaldinho and Matrix Licenses from SEMAD, clearing the way to commence drilling activities and marking a major milestone in advancing exploration efforts.

Key upcoming activities to support the maiden drill campaign in 1H 2025 include:

1. **Verification Assays and Access Agreements:** Integration of Perpetual Resources into existing access agreements with K2 Mineração & Exportação Ltda is underway, with all agreements remaining in good standing. Verification assays and step-out sampling have commenced.

2. **Soil and Auger Testing:** Targeted soil sampling and auger testing are being conducted to delineate down strike trends and support the overall drilling strategy.

3. **Geophysical Surveys:** A drone LiDAR survey Avant Geofísica (BRA) is scheduled to commence imminently.

4. **Hyperspectral Survey:** Southern Geoscience Consultants (AUS) is currently conducting a broad machine-learning-based mineral mapping survey to enhance geological understanding across high-priority areas and targets.

5. **Drilling Preparations:** Final negotiations with local drilling contractors are progressing to ensure readiness for the planned 1H 2025 drilling campaign.

6. **Field Reconnaissance:** Concurrent fieldwork is being conducted across newly acquired tenement areas to continue project development across all licenses as Perpetual gears towards its maiden drill program in 1H 2025.

7. **Commencement of drilling**: Currently scheduled for 1H 2025.


**Figure 7: Images A & B: PEC team in January conducting reconnaissance within extensive artisanal workings in newly acquired areas (refer to Appendix B for full rock descriptions & locations)[19].**

**Geological Overview of Licenses to be Acquired**

The licenses are predominantly situated within the Salinas Formation, composes of mica-schist and proximal to post-collisional fertile granites, the host rock source of spodumene-bearing pegmatites respectively. This geological setting mirrors that of major lithium discoveries and operational mines owned by Tier-1 producers, including Sigma Lithium, CBL, Lithium Ionic and Atlas Lithium.

**PURCHASE AGREEMENT DETAILS**

Perpetual has entered into a staged purchase agreement, which provides Perpetual with an up to 30-month (2.5 year) exclusivity period, prior to Perpetual deciding whether to move to an up to 90% ownership in a Special Purpose Vehicle (SPV) which will own legal title to all three tenements.

The staged purchase agreement entered by Perpetual is on the following terms:

- **Mineral Tenement Numbers:** 830224/2004, 830851/2010 & 832169/1995
- **Total land size:** 25.6km$^2$
- **Acquired by Perpetual from:** K2 Mineração & Exportação Ltda (K2)
- **Staged exclusivity acquisition payments;**

[19] *In relation to the disclosure of visual mineralisation, the Company cautions that visual estimates of mineral presence should never be considered a proxy or substitute for laboratory analysis. See Compliance Statements.*

| Stage | Exclusivity Period | Consideration |
|---|---|---|
| First Exclusivity Payment | Initial 180-days | US$100,000 |
| Second Exclusivity Payment | Additional 12 months | US$100,000 |
| Third Exclusivity Payment | Additional 12 months | US$100,000 |
| Final Acquisition Payment# | n/a | US$700,000 |

# Payment to acquire up to 90% equity in the Special Purpose Vehicle (SPV) that will own the licenses

- Perpetual may accelerate its option to acquire up to 90% of the ownership rights on the permits at any time by payment of the "Final Acquisition Payment", which would render any other unpaid acquisition or exclusivity fees as non-payable.

- **Other important terms of the Agreement;**
  - K2 retains the right to buy back up to an additional 10% of the SPV should Perpetual declare the project as viable, via the payment of a proportionate amount equivalent to twice (2x) the total invested by Perpetual in that proportion.
  - K2 will also be free carried by Perpetual on all expenditure on the tenements up to a decision to mine, after which K2 must contribute their share of SPV funding or be diluted.
  - Should Perpetual elect not to proceed with any of the acquisition stages, it will forfeit any rights over the tenements and will not be reimbursed or refunded of any payments made.
  - The Agreement also includes other customary terms and conditions as are typical for an agreement of this type.

**Facilitator Shares**

In consideration for introducing and facilitating the proposed transaction, the Company has agreed (subject to shareholder approval) to issue Sergio Melo da Silva and/or his nominees (**Facilitator**) shares in stages corresponding to 8% of each payment made to the Vendor under the Agreement (together, the **Facilitator Shares**).

The number of Facilitator Shares to be issued will be determined based on the 5-day VWAP prior to each payment. Based on the current 5-day VWAP of $0.015, a total of up to 8,540,800 Facilitator Shares may be issued[20] assuming the Company proceeds to each stage, completes the proposed transaction and that the VWAP at each stage matches the current VWAP.

This announcement has been approved for release by the Board of Perpetual.

**- ENDS -**

**KEY CONTACT**
Julian Babarczy
Executive Chairman
**E** info@perpetualresources.co

[20] A share price floor of $0.01 per share will apply in the calculation of all Facilitator Shares issued.

## About Perpetual Resources

Perpetual Resources Limited (Perpetual) is an ASX listed company pursuing exploration and development of critical minerals.

Perpetual is active in exploring for lithium, rare earth elements (REE) and other critical minerals in the Minas Gerais region of Brazil, where it has secured approximately 12,500 hectares of highly prospective lithium and REE exploration permits, within the pre-eminent lithium (spodumene) region that has become known as Brazil's "Lithium Valley", as well as the highly regarded Caldeira Alkaline Complex.

Perpetual also owns the Beharra Silica Sand development project, which is located 300km north of Perth and is 96km south of the port town of Geraldton in Western Australia.

Perpetual continues to review complementary acquisition opportunities to augment its growing portfolio of exploration and development projects consistent with its critical minerals focus.

**COMPLIANCE STATEMENTS**

**Forward-looking statements**

This announcement contains forward-looking statements which involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. 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 on Visual Estimates**

This announcement references visual observations and estimates of mineralisation. The Company emphasises the inherent uncertainty associated with reporting visual results. Visual estimates of mineral content should not be considered a substitute for laboratory analyses, which are essential for determining concentrations or grades of economic significance. Additionally, visual estimates do not account for potential impurities or deleterious physical properties that could impact valuation. The mere presence of pegmatite rock does not confirm the existence of lithium, caesium, or tantalum (LCT) mineralization. Laboratory chemical assays are necessary to accurately determine the grade and economic potential of the mineralisation.

**Disclaimer**

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**Competent Person Statement**

The information in this report related to Geological Data and Exploration Results is based on data compiled by Mr. Allan Harvey Stephens. Mr. Stephens is an Exploration Manager at Perpetual Resources Limited and is a member of both the Australasian Institute of Mining and Metallurgy (AusIMM) and the Australian Institute of Geoscientists (AIG). He possesses sound experience that is relevant to the style of mineralisation and type of deposit under consideration, as well as the activities he is currently undertaking. Mr. Stephens qualifies as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources, and Ore Reserves.' He provides his consent for the inclusion of the matters based on his information, as well as information presented to him, in the format and context in which they appear within this report.

**Previous disclosure**

This announcement contains references to prior exploration results, all of which have been cross-referenced to previous market announcements made by the Company. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements, and that all material assumptions and technical parameters underpinning those results continue to apply and have not materially changed.

## Appendix A – Historical Assay Results [21]

*Coordinate Presented in SIRGUS 2000 24S[22]*

| SAMPLE | SIRGUS 24S | | Cs | Rb | Sn | Ta | Li | Li2O | Li2O RPT |
|---|---|---|---|---|---|---|---|---|---|
| DESCRIPTION | E | N | ppm | ppm | ppm | ppm | ppm | % | - |
| K2-24-01 | 193331 | 8132343 | 2,290 | 4,770 | 184 | 755 | 860 | *0.19* | - |
| K2-24-02 | 193333 | 8132343 | 6,570 | 457 | 512 | 930 | 3,940 | *0.85* | - |
| K2-24-03 | 193327 | 8132350 | 5,840 | 2,270 | 518 | 1,145 | 4,270 | *0.92* | - |
| K2-24-04 | 193333 | 8132346 | 5,560 | 195.5 | 366 | 256 | 15,150 | ***3.26*** | - |
| K2-24-05 | 193337 | 8132345 | 3,880 | 916 | 390 | 525 | 4150 | *0.89* | - |
| K2 Rockchip 1 | 193333 | 8132343 | 1,340 | 50 | 233 | 9.91 | >25,000 | ***5.38*** | ***6.8*** |
| K2 Rockchip 2 | 193333 | 8132343 | 319 | 7.5 | 141 | 4.66 | >25,000 | ***5.38*** | ***7.6*** |
| K2 Rockchip 3 | 193333 | 8132343 | 2,500 | 10,250 | 25 | 3.59 | 610 | *0.13* | |
| K2 Rockchip 4 | 193333 | 8132343 | 387 | 12.4 | 143 | 0.76 | >25,000 | ***5.38*** | ***7.5*** |
| K2 Rockchip 5 | 193333 | 8132343 | 335 | 7.9 | 214 | 3.22 | >25,000 | ***5.38*** | ***7.4*** |
| K2 Rockchip 6 | 193333 | 8132343 | 2,420 | 102,50 | 32 | 1.93 | 500 | *0.11* | - |
| K2 Rockchip 7 | 193333 | 8132343 | 2,870 | 38.2 | 150 | 39 | 22,800 | *4.91* | - |

## Appendix B – Rock Type Descriptions

### Table 1 –Sample Descriptions and Locations

*Coordinate Presented in SIRGUS 2000 24S[23]*

| Figure | Easting | Northing | Lithology |
|---|---|---|---|
| 2 | 193327 | 8132350 | The image depicts weathered pegmatite exposed from artisanal workings. Interpretations suggest approximately 50% Albite/Feldspar (some undergoing kaolinization), 20% Quartz, 10% Mica, and around 20% Spodumene. |
| 4A | 193333 | 8132343 | Large spodumene crystals are shown in the image. Area indicated suggests approximately 50% Spodumene, 30% Feldspar/Orthoclase/Albite, 10% Quartz, and 10% unknown material. |
| 4B | 193331 | 813234 | Large spodumene crystals are shown in the image. Area indicated suggests approximately 50% Spodumene, 30% Feldspar/Orthoclase/Albite, 10% Quartz, and 10% unknown material. |
| 5a | 198817 | 8124084 | Highly weathered (kaolinized) pegmatite sample, predominantly feldspar (65%) with minor quartz (15%) inclusions and distinct elongated green spodumene crystal in form of kaolin (20%). |
| 5b | 198820 | 8124090 | Strongly weathered (kaolinized) pegmatite sample, composed mainly of feldspar (60%) with minor quartz (10%) inclusions and distinct elongated green spodumene crystals in form of kaolin (30%). |
| 7a | 197457 | 8123906 | Large artisanal workings, moderate to high weathering, largely Kaolinization remnant pegmatite. |
| 7b | 197470 | 8124002 | Large artisanal workings, highly weathered and largely Kaolinization remnant pegmatite. |

[21] *Refer to JORC table CP statement on historical Samples.*

[22] *Multiple coordinates for rock chip samples were recorded from underground tunnels. As satellite systems cannot accurately determine positions below ground, the GPS coordinates provided correspond to the tunnel entry points.*

[23] *Multiple coordinates for rock chip samples were recorded from underground tunnels. As satellite systems cannot accurately determine positions below ground, the GPS coordinates provided correspond to the tunnel entry points.*

## Appendix C: JORC Code, 2012 Edition – Table 1 report

### Section 1 Sampling Techniques and Data

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| **Sampling techniques** | • Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.<br>• Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.<br>• Aspects of the determination of mineralisation that are Material to the Public Report.<br>• In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. | • Five chip samples and seven spodumene rock samples were collected from exposed spodumene-bearing pegmatite on the central K2 claim (Igrejinha). The chip samples, measuring 1 meter in vertical length and spaced approximately 1.5 meters apart horizontally, were collected from a near-vertical pegmatite exposure.<br><br>• Current rock chip samples, weighing around 0.25-5 kilograms each, were taken from exposed outcrops and weathered areas in the field. It's important to note that these samples do not accurately reflect the potential mineral grade at greater depths. |
| **Drilling techniques** | • Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). | • No Drilling Completed |
| **Drill sample recovery** | • Method of recording and assessing core and chip sample recoveries and results assessed.<br>• Measures taken to maximise sample recovery and ensure representative nature of the samples.<br>• Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to | • No Drilling Completed |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | preferential loss/gain of fine/coarse material. | |
| **Logging** | • Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.<br>• Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.<br>• The total length and percentage of the relevant intersections logged. | • All samples are logged sufficiently for geological interpretation. |
| **Sub-sampling techniques and sample preparation** | • If core, whether cut or sawn and whether quarter, half or all core taken.<br>• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.<br>• For all sample types, the nature, quality and appropriateness of the sample preparation technique.<br>• Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.<br>• Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.<br>• Whether sample sizes are appropriate to the grain size of the material being sampled. | • No Drilling Completed<br>• Sample collection was carried out by HLS Consulting, an independent and arms-length geological consulting firm. The process was supervised by Dr. H. Cookenboo, Ph.D., P.Geo., a Qualified Person [Competent Person] as defined by the JORC Code.<br>• Dr. Cookenboo's qualifications are supported by extensive experience and his professional membership with Engineers and Geoscientists British Columbia. |
| **Quality of assay data and laboratory tests** | • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.<br>• For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. | • Analysis was conducted by ALS Vancouver, an independent laboratory accredited with ISO 17025:2017 and ISO 9001:2015 certifications for specific analytical procedures. Samples underwent lithium borate fusion followed by acid dissolution and multi-element analysis using ICP-MS.<br>• ALS implemented its standard QA/QC protocols, including the use of laboratory standards, blanks, and replicates to ensure sample control. According |

| Criteria | JORC Code explanation | Commentary |
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| | • Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. | to Dr. H. Cookenboo, Ph.D., P.Geo., these measures were appropriate given the early stage of exploration. |
| **Verification of sampling and assaying** | • The verification of significant intersections by either independent or alternative company personnel.<br>• The use of twinned holes.<br>• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.<br>• Discuss any adjustment to assay data. | • No verification will be undertaken for these initial samples that will not be used in any resource estimate. The samples are to determine the levels of Li and other valuable elements in grab samples |
| **Location of data points** | • Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.<br>• Specification of the grid system used.<br>• Quality and adequacy of topographic control. | • Samples sites were located by handheld GPS (Garmin 65s), bagged, labelled.<br>• The accuracy is considered sufficient for an early-exploration sampling program. |
| **Data spacing and distribution** | • Data spacing for reporting of Exploration Results.<br>• Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.<br>• Whether sample compositing has been applied. | • No Drilling Conducted<br>• No sample compositing has been applied. |
| **Orientation of data in relation to geological structure** | • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.<br>• If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. | • Not applicable for the early-stage exploratory programs undertaken.<br>• No Drilling Conducted. |
| **Sample security** | • The measures taken to ensure sample security. | • All samples were transported by Dr. H. Cookenboo to ALS Vancouver, North Vancouver, B.C., Canada, an independent laboratory accredited with ISO 17025:2017 and ISO9001:2015 ratings on specific analytical procedures, where they were analysed by lithium borate fusion prior |

| Criteria | JORC Code explanation | Commentary |
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| | | to acid dissolution and multielement ICP-MS. ALS used their standard QA/QC routine of lab standards, blanks and |
| **Audits or reviews** | • The results of any audits or reviews of sampling techniques and data. | • No reviews or audit completed to date. |

**Section 2 Reporting of Exploration Results**

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| **Mineral tenement and land tenure status** | • Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.<br>• The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. | • PEC own's 100% exploration rights on the following licenses.<br>○ Ponte Nova Prospect: 832.017/2023<br>○ Ponte Nova Prospect: 832.018/2023<br>○ Ponte Nova Prospect: 832.019/2023<br>○ Itinga Prospect: 830.489/2023<br>○ Itinga Prospect: 830.490/2023<br>○ Paraiso Prospect: 830.491/2023<br>○ Paraiso Prospect: 830.492/2023<br>○ Itinga Prospect: 832.837/2023<br>○ Itinga Prospect: 830.226/2021<br>○ Bontempi Prospect: 832503/2003<br>○ Bontempi Prospect: 831542/2004<br>○ Isabella Project: 830.167/2013 |
| **Exploration done by other parties** | • Acknowledgment and appraisal of exploration by other parties. | • No prior formal exploration is known however there has been some informal exploration and artisanal mining. |
| **Geology** | • Deposit type, geological setting and style of mineralisation. | • The geological features of the areas consist of granite & sedimentary rocks from the Neoproterozoic era within the Araçuaí Orogen. These rocks have been intruded by fertile pegmatites rich in lithium, which have formed through the separation of magmatic fluids from peraluminous S-type granitoids and leucogranites associated with the Araçuaí Orogen. |
| **Drill hole Information** | • A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:<br>○ easting and northing of the drill hole collar<br>○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar<br>○ dip and azimuth of the hole<br>○ down hole length and interception depth<br>○ hole length.<br>• If the exclusion of this information is justified on the | • No drilling activities are being reported.<br>• The general location of visual occurrences photographed have been provided, in Appendix B, Table 1.<br>• The co-ordinates of the rock chip samples have been provided with the relevant assay information in Appendix A. |

| Criteria | JORC Code explanation | Commentary |
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| | basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. | |
| **Data aggregation methods** | • In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.<br>• Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.<br>• The assumptions used for any reporting of metal equivalent values should be clearly stated. | • No drilling activities are being reported.<br>• No aggregation methods applied. |
| **Relationship between mineralisation widths and intercept lengths** | • These relationships are particularly important in the reporting of Exploration Results.<br>• If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.<br>• If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). | • No drilling activities are being reported. |
| **Diagrams** | • Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. | • Maps and images are included within body of text. |
| **Balanced reporting** | • Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of | • All relevant and material exploration data for the target areas discussed, has been reported or referenced. |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| | both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. | |
| **Other substantive exploration data** | • Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. | • All relevant and material exploration data for the target areas discussed, has been reported or referenced.<br>• The general location of visual occurrences photographed have been provided, in Appendix B, Table 1. |
| **Further work** | • The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).<br>• Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. | • Verification & Access: Integration of Perpetual Resources into existing agreements with K2 Mineração & Exportação Ltda, with all agreements in good standing. Verification assays and step-out sampling underway.<br>• Soil & Auger Testing: Ongoing sampling to delineate down strike trends and inform drill strategy.<br>• Geophysical Survey: Drone LiDAR survey by Avant Geofísica (BRA) scheduled for 10 February.<br>• Hyperspectral Survey: Mineral mapping by Southern Geoscience Consultants (AUS) to refine geological understanding at priority targets.<br>• Drill Preparations: Finalizing negotiations with local drill contractors for Q2 2025 readiness.<br>• Field Reconnaissance: Continued fieldwork across new tenements to identify and prioritize targets.<br>• Drill Commencement: Planned for Q2 2025. |