Spey Resources Corp.

NI 43-101 Technical Report

Candela II Project, Salta Province, Argentina

Effective Date: 18 September 2023

Authors:

1 Aaron Radonich FAusIMM(CP)

2 Jason Van den Akker MAusIMM

3 Ian Unsworth CGeol

Notice to Readers:

This National Instrument 43-101 Technical Report for Spey Resources Corp. was prepared and executed by the Qualified Persons named herein as Authors. This report contains the expressions of professional opinions of the Authors based on (i) information available at the time of preparation, (ii) data supplied by Spey Resources Corp., and others, and (iii) the assumptions, conditions, and qualifications set forth in this report. The quality of information, conclusions, and estimates contained herein are consistent with the stated levels of accuracy as well as the circumstances and constraints under which the mandate was performed. This report was prepared in accordance with a contract between WSP Australia Pty Limited and Spey Resources Corp. which permits Spey Resources Corp. to file this report as a Technical Report with Canadian securities regulators pursuant to National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

Question today
Imagine tomorrow
Create for the future

NI 43-101 Technical Report
Candela II Project, Salta Province, Argentina

Spey Resources Corp.

WSP Australia Pty Limited
Level 27, 680 George Street
Sydney NSW 2000
GPO Box 5394
Sydney NSW 2001

Tel: +61 2 9272 5100
Fax: +61 2 9272 5101
wsp.com

Rev	Date	Details
D	25 September 2023	Final Report (Revised)
C	21 September 2023	Final Report (Revised)
B	20 September 2023	Final Report
A	1 September 2023	Draft Report

Authors are listed on the next page

WSP acknowledges that every project we work on takes place on First Peoples lands.
We recognise Aboriginal and Torres Strait Islander Peoples as the first scientists and engineers and pay our respects to Elders past and present.

Date and Signature Page

This Technical Report on the Candela II Project is submitted to Spey Resources Corp. and is effective as of 18 September 2023.

Qualified Person	Responsible for Parts
AusIMM THE MINERALS INSTITUTE CHARTERED PROFESSIONAL GEOLOGY Aaron Radonich Aaron Radonich FAusIMM(CP) WSP Australia Pty Limited Date Signed: 18 September 2023	1.1, 1.2, 1.3, 1.5, 1.6, 2.1, 2.3, 2.4, 2.5, 2.6, 2.7, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25.1, 25.3, 26, and 27
Jason Van den Akker MAusIMM WSP Australia Pty Limited Date Signed: 18 September 2023	1.4, 14, and 25.2
Ian Unsworth CGeol WSP Australia Pty Limited Date Signed: 18 September 2023	2.2

CERTIFICATE OF QUALIFIED PERSON AARON RADONICH

I, Aaron Radonich, state that:

(a) I am a Principal Geologist at:
WSP Australia Pty Limited
Level 3/51-55 Bolton Street
Newcastle NSW 2300

(b) This certificate applies to the technical report titled NI 43-101 Technical Report Candela II Project, Salta Province, Argentina with an effective date of: 18 September 2023 (the "Technical Report").

(c) I am a "qualified person" for the purposes of National Instrument 43-101 ("NI 43-101"). My qualifications as a qualified person are as follows. I am a graduate of Edith Cowan University with a Postgraduate Certificate in Geostatistics, and the University of Tasmania with a Bachelor degree with Honours in Geology, and a Bachelor Degree in Geology. I am a Fellow and Chartered Professional in good standing of the Australasian Institute of Mining and Metallurgy (AusIMM). My relevant experience after graduation and over 21 years for the purpose of the Technical Report includes exploration geology, mine geology, geological modelling and Mineral Resource estimation, and consulting experience covering precious metals, base metals, coal, lithium, and other commodities across a wide variety of projects both in Australia and internationally.

(d) The author has not visited the site.

(e) I am responsible for Items 1.1, 1.2, 1.3, 1.5, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25.1, 25.3, 26, and 27 of the Technical Report.

(f) I am independent of the issuer as described in section 1.5 of NI 43-101.

(g) I have not had prior involvement with the property that is the subject of the Technical Report.

(h) I have read NI 43-101 and the parts of the Technical Report for which I am responsible have been prepared in compliance with NI 43-101.

(i) At the effective date of the Technical Report, to the best of my knowledge, information, and belief, the parts of the Technical Report for which I am responsible, contain all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Dated at Newcastle, New South Wales, Australia this 18th of September, 2023.

AusIMM
THE MINERALS INSTITUTE
CHARTERED PROFESSIONAL
GEOLOGY
Aaron Radonich

Aaron Radonich FAusIMM(CP)

CERTIFICATE OF QUALIFIED PERSON JASON VAN DEN AKKER

I, Jason van den Akker, state that:

(a) I am a Principal Hydrogeologist at:
WSP Australia Pty Limited
Level 17/83 Pirie St
Adelaide South Australia, 5000

(b) This certificate applies to the technical report titled NI 43-101 Technical Report Candela II Project, Salta Province, Argentina with an effective date of: 18 September 2023 (the "Technical Report").

(c) I am a "qualified person" for the purposes of National Instrument 43-101 ("NI 43-101"). My qualifications as a qualified person are as follows. I am a graduate of Flinders University with a Masters degree in Science, and a Bachelor Degree in Science. I am a Member in good standing of the Australasian Institute of Mining and Metallurgy (AusIMM). My relevant experience after graduation and over 22 years for the purpose of the Technical Report includes hydrogeology, mine geology and hydrogeology, hydrogeological modelling and consulting experience covering base metals, coal, and lithium, across a wide variety of projects both in Australia and internationally.

(d) The author has not visited the site.

(e) I am responsible for Item(s) 1.4, 14, and 25.2 of the Technical Report.

(f) I am independent of the issuer as described in section 1.5 of NI 43-101.

(g) I have not had prior involvement with the property that is the subject of the Technical Report.

(h) I have read NI 43-101 and the parts of the Technical Report for which I am responsible has been prepared in compliance with NI 43-101; and

(i) At the effective date of the Technical Report, to the best of my knowledge, information, and belief, the parts of the Technical Report for which I am responsible, contain(s) all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Dated at Adelaide, South Australia, Australia this 18th of September, 2023.

Jason van den Akker MAusIMM

CERTIFICATE OF QUALIFIED PERSON IAN UNSWORTH

I, Ian Unsworth, state that:

(a) I was a Principal Hydrogeologist at:
WSP Australia Pty Limited
Level 12/900 Ann Street
Fortitude Valley QLD 4006

(b) This certificate applies to the technical report titled NI 43-101 Technical Report Candela II Project, Salta Province, Argentina with an effective date of: 18 September 2023 (the "Technical Report").

(c) I am a "qualified person" for the purposes of National Instrument 43-101 ("NI 43-101"). My qualifications as a qualified person are as follows. I am a graduate of Flinders University with a Masters degree in Science, and a Bachelor Degree in Science. I am a Member and Chartered Geologist in good standing of the Geological Society of London (GSL). My relevant experience after graduation and over 40 years for the purpose of the Technical Report includes the conducting of hydrogeological, and gophysical surveys for the groundwater, engineering, environmental, minerals, and oilfield sectors and consulting experience covering various commodities including lithium, across a wide variety of projects both in Australia and internationally.

(d) My most recent personal inspection of the property described in the Technical Report occurred on 19 May 2023 and was for a duration of one day.

(e) I am responsible for Item 2.2 of the Technical Report.

(f) I am independent of the issuer as described in section 1.5 of NI 43-101.

(g) I have not had prior involvement with the property that is the subject of the Technical Report.

(h) I have read NI 43-101 and the parts of the Technical Report for which I am responsible has been prepared in compliance with NI 43-101; and

(i) At the effective date of the Technical Report, to the best of my knowledge, information, and belief, the parts of the Technical Report for which I am responsible, contain(s) all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Dated at Fortitude Valley, Queensland, Australia this 18th of September, 2023.

Ian Unsworth CGeol

Table of contents

List of tables

CONTENTS (Continued)

List of figures

1 Summary

1.1 Executive summary

WSP Australia Pty Limited (WSP) was retained by Spey Resources Corp. (Spey) to prepare an independent Technical Report on the Candela II Concession (the Project), which is a lithium brine exploration project located in the Puna Region of Argentina.

The Project is 80% owned by Spey (through wholly owned subsidiary Spey Resources S.A. [SRA]), and 20% owned by A.I.S. Resources Ltd (A.I.S.R.).

In March 2021, A.I.S.R. acquired an option from Mr. I M F Durand (the Vendor) to explore the Project. On 18 March 2021 Tech One Lithium Resources Corporation (Tech One) acquired a 12 month option for USD$200,000 from A.I.S.R. to explore the Project and purchase it for USD$1,000,000. The option included a US$500,000 expenditure commitment. Tech One satisfied this expenditure commitment by spending USD$576,000 drilling five drill holes and conducting a Transient Electromagnetic (TEM) survey. Tech One was subject to a Reverse Takeover by Spey in late 2021, prior to the option exercise date. SRA acquired the Project. A.I.S.R. had a free carry of 20%, up to the date of acquisition of the Project by SRA, based on the completion of an independent Mineral Resource Estimate (MRE).

Spey had the right, but not the obligation to exercise the 20% option by making a payment in the amount of USD$6,000,000 on or before the date which is two years from the execution date of the existing Exploration Joint Venture Purchase Agreement (EJVPA). The amount of the 20% payment shall be increased by an additional USD$250,000 for each five tonnes (t) of lithium metal equivalent by which the Indicated and Inferred MRE for the Project exceeds 45 tonnes of lithium metal equivalent (239,000 tonnes of lithium carbonate) at the time of Spey making the 20% payment.

Spey did not exercise its right before the expiry date of 18 March 2023.

The purpose of this report is to support the public disclosure of the MRE of the Project. This Technical Report was prepared in accordance with National Instrument (NI) 43-101 Standards of Disclosure for Mineral Projects (NI 43-101).

The MRE for the Project, effective 18 September 2023, is summarised in Table 1.1.

The Qualified Person considers that the MRE is classified and reported in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards for Mineral Resources and Mineral Reserves, dated 10 May 2014 (CIM Definitions), CIM Estimation of Mineral Resources & Mineral Reserves Best Practice Guidelines, dated 29 November 2019 (CIM Guidelines), and NI 43-101 guidelines.

The Qualified Persons are not aware of any environmental, permitting, legal, title, taxation, socio-economic, marketing, political, or other relevant factors that could materially affect the MRE.

Some technical reports and references have been written in Spanish and translated to English. Currencies used are United States Dollars (USD), and Canadian Dollars (CAD). Measurements used are metric.

1.2 Property description, location, history, and ownership

1.2.1 Property description, and location

The Candela II Concession (the Project) is a lithium brine exploration project located in the Puna Region of Argentina (Figure 2.1), approximately 36 kilometres (km) from the township of Tolar Grande on the southern end of the Incahuasi Salar. The Project sits approximately 3,500 metres above sea level (masl), 120 km from the town of Pocitos, and approximately 245 km from San Antonio de los Cobres.

Figure 2.2 shows the location of the Incahuasi Salar.

The Project covers approximately 29.6 square kilometres (km^2), being approximately 8 km in length, and 3.7 km in width. Figure 4.1 shows the location of the Project.

The Project is covered under a License for Exploration of lithium, and borates (Claim Number Expediente No. 23,262). The Project is located in the Los Andes department of Salta Province, Argentina. The concession is described in File No. 23,262 and Table 4.1 summarises the Gauss Kruger co-ordinates (POSGAR 2007 Argentina 2).

1.2.2 History

The Vendor acquired the concession prior to 2007 and had not developed the Project prior to entering into an option agreement with A.I.S.R. A.I.S.R. conducted surface sampling of brine in April 2021 after constructing the road infrastructure into the Salar.

With exception to the 2021 exploration drilling and sampling program, no other exploration on the Project is known to have occurred.

There are no historical published Mineral Resource, or Mineral Reserve statements.

There has been no lithium production at the Project to date.

1.2.3 Ownership

The Project is 80% owned by Spey (through wholly owned subsidiary SRA), and 20% owned by A.I.S.R. Spey had the right but not the obligation to acquire the A.I.S.R. 20% option by making a payment in the amount of USD$6,000,000 on or before the date which is two years from the execution date of the existing EJVPA (18 March 2021). The amount of the 20% payment shall be increased by an additional USD$250,000 for each five tonnes (t) of lithium metal equivalent by which the Indicated and Inferred MRE for the Project exceeds 45 tonnes of lithium metal equivalent (239,000 tonnes of lithium carbonate) at the time of Spey making the 20% payment.

Spey did not exercise its right before the expiry date of 18 March 2023.

1.3 Geology, exploration, and mineralisation

1.3.1 Geology

The Incahuasi Salar is located in the geological province of La Puna (Turner, 1972), and within the Puna Austral geological sub-province (Alonso et al., 1984a). One of the most important characteristics that define the geological province of La Puna is the presence of evaporite basins or “salares” where deposits of borates, sodium sulphate, and lithium are concentrated. The Incahuasi Salar occupies one of these endorheic (internal drainage) basins. Other salars proximal to the Project area include the Arizaro, Jama, Rincón, Llullaillaco, and Antofalla. Figure 7.1 shows a geological map of the area, and the stratigraphic explanations associated with each unit.

The oldest rocks in the Project area outcrop to the southwest of the Incahuasi Salar, forming the Taca Taca mountain range, which corresponds to the Taca Taca Formation. The Taca Taca Formation is Ordovician in age, and comprises primarily granodiorite with coarse and fine-grained facies, intruded by aplitic and diabasic dykes of the same age. Later, the Taca Taca Formation was intruded by a set of intrusive bodies, with porphyritic texture, attributed to the Llullaillaco Plutonic Complex (Permian), and by rhyodacitic and rhyolitic dykes and porphyries from the Santa Inés Volcanic Complex (Eocene).

The sedimentary outcrops located between the Incahuasi, and Arizaro salars correspond to the Vizcachera Formation of Oligocene to Middle Miocene age, consisting of sandy-conglomerate, sandy-clayey and sandy-chalky, poorly consolidated rocks. The other rocks that dominate the area are of volcanic origin. Volcanic rocks consist mostly of basalts, andesites, dacites, and rhyolites of upper Tertiary age.

The basins between the volcanic outcrops consist of Quaternary age, poorly consolidated to unconsolidated, colluvial and alluvial sedimentary deposits. The Quaternary fill terminates, and interfingers with the evaporite deposits, which form salt flats in the central areas of the salars.

1.3.2 Exploration

David Carabanti, a geologist employed by A.I.S.R. and his assistants travelled to the Incahuasi Salar in May 2021, and collected a total of 27 brine samples using a petrol-powered auger. Brine sample locations are shown in Figure 9.1. The sampling team were able to collect 25 one litre samples, and two 200 litre samples (PA200, and PB200). The auger holes drilled were approximately 400 metres (m) apart.

Table 9.1 shows the laboratory results for the surface brine samples collected.

Samples were collected using a bailer, then were put into one litre bottles, labelled, securely taped closed, and put into a secure box for transport to SGS Argentina S.A. (SGS Argentina) in Salta, Argentina. Of the 27 auger holes completed, all had brine at less than 1 m depth. A field duplicate sample (laboratory number 28) was obtained for location PM25. Laboratory samples 42, and 43 were control samples (Table 9.1).

Iso-concentration maps for lithium and Total Dissolved Solids (TDS) are shown in Figure 9.2 and Figure 9.3. Interrogation of the figures suggests that there is a likely correlation between lithium, and TDS. The lowest values of lithium and TDS occur in the southwest portion of the basin, proximal to the boundary. This area is potentially a fresh water recharge area, and there may be some dilution of brine occurring in this area.

In 2021, following receipt of the surface brine sampling results, Quantec Geoscience Argentina S.A. (Quantec) was contracted to conduct a TEM survey of the Project. A total of 50 soundings were taken along three, east-west oriented lines. The TEM survey line locations are shown in Figure 9.4. The goal of the survey was to identify locations for five exploration drill holes. Results from the drill holes are discussed in Section 10.

SRG completed three Magneto-Telluric (MT) survey lines in May 2023. The MT survey line locations are shown in Figure 9.8.

The modelled interpretations are shown in Figure 9.9, Figure 9.10, and Figure 9.11.

Several other exploration campaigns have been completed in the basin during the past 14 years on other mining concessions. While not specific to the Project, the results from these campaigns provide valuable information for the Project. Two of these campaigns have been publicly reported and are summarised in the following sections.

Although these campaigns were not conducted within the Project area, it is the experience of the Qualified Person for Mineral Resources that in mature salar basins such as the Incahuasi, large variability in chemistry does not occur, except in areas diluted with fresh water. Other groups operating in the Incahuasi basin, such as Ganfeng Lithium Co., Ltd. (Ganfeng), have been conducting exploration drilling activities, but they are under no obligation to publicly report results.

1.3.2.1 Latin American Minerals

In November 2008, Latin American Minerals Inc. (LAM), now Sterling Metals Corp. (Sterling) reported "*encouraging results were received from the Incahuasi Salt Lake, where 17 brines and 17 crust samples were collected. Incahuasi Salt Lake shows high potassium content in the brines. Lithium concentrations are also encouraging with consistently high values, but the higher magnesium content of these brines suggests the lithium would be more expensive to extract than in the Cauchari Salt Lake.*"

LAM's exploration program consisted of excavating 1-2 m deep holes cutting across the salt lake crust to sample the brine underneath. A total of 64 pits were dug, and 39 of them contained brine. It is worth noting, that the sediment samples collected are not relevant as in general, there is little correlation between lithium in sediments, and lithium in brine within a given basin. Table 9.2 shows the results from selected sediment and shallow brine samples collected and analysed by LAM.

1.3.2.2 Power Minerals

Power Minerals Limited (Power Minerals), previously PepinNini Minerals Limited (PepinNini) has proposed three drill holes, and completed surface sampling, and TEM surveying. Table 9.3 shows results from the Power Minerals Incahuasi Salar sampling as reported to its shareholders in 2019.

Figure 9.12 shows a location map of Power Minerals drill holes, wells, and sampling locations.

Power Minerals reported 220-296 parts per million (ppm) lithium; this data was taken from an unpublished report compiled by Alonso and Rojas (2011).

1.3.2.3 Other exploration

Ganfeng Lithium Co., Ltd. (Ganfeng) who holds concessions adjacent to the Project, completed a gravity survey in 2020, drilled three exploration holes in 2021, and constructed a production well. These results are not publicly available.

1.3.3 Mineralisation

Mineralisation consists of a lithium-enriched brine, contained within the pore spaces of the sedimentary strata in the salar basin. In addition to lithium, boron, and potassium enrichment are considered as potential future economic elements. The boundaries of the mineralisation are suspected to be the basin extent, although some lithium-enriched brine may be contained in the fractures, and/or pores of the rocks that form the basin boundary.

1.4 Mineral Resources

The MRE for the Project is classified and reported in accordance with the CIM Definitions, CIM Guidelines, and NI 43-101. The Effective Date of the MRE is 18 September 2023.

The lithology model developed by WSP was split into two major components, these being the basement, and the mineral enriched brine aquifer. Within the aquifer, two lithological facies were interpreted from drill cuttings, with contacts further interpreted from the MT and TEM survey data. The two lithological facies are summarised as follows:

The surface unit is a massive porous halite unit containing sand, silt, and clay, which increases with depth towards the centre of the salar, with a maximum thickness of 81 m recorded in drill hole INCA-21-05R.

The second unit is a predominately clastic sedimentary deposit of fine to coarse sand, with interbedded gravel, conglomerate, and halite layers.

Mean specific yield values outlined in Section 14.10.1 were applied to the total metal tonnages to obtain the yield from the available brine. The Lithium Carbonate Equivalent (LCE) is calculated from the ratio of lithium carbonate (Li_2CO_3) to Li (5.32). The calculations assume no process losses.

The specific processing methodology to be employed at the Project is yet to be determined, as is the minimum cut-off grade (COG). The processing methodology likely to be utilised by Spey at the Project requires a 100 ppm feed grade (1 ppm is equivalent to 1 mg/L).

Of the total MRE, 98.9% of the brine volume is above a 100 ppm lithium COG.

Additional cost and pricing assumptions supporting Reasonable Prospects of Eventual Economic Extraction (RPEEE) are presented in Item 14 of this Technical Report.

No cut-off grade (COG) has been applied to the MRE.

Table 1.1 presents the MRE for the Project.

Table 1.1 Project MRE

Category	Domain	Sediment Volume (m^3)	Specific Yield (%)	Brine Volume (m^3)	Li Grade (mg/L)[1]	Li Metal (kt)[2]	Li Yield (kt)	LCE (kt)[3]	Mg Grade (mg/L)[1]	Mg Metal (kt)	Mg Yield (kt)
Inferred	Halite	262,887,500	8	21,031,000	125.7	33	3	14	6,166.6	1,621	130
	Sand-Gravel-Halite	409,162,500	12	49,099,500	130.5	53	6	34	6,249.1	2,557	307
Total Inferred		**672,050,000**		**70,130,500**		**86**	**9**	48	6,217.1	**4,178**	437

Notes: (1) Grade values are the mean estimated value for the domain in the Vulcan™ Block Model, (2) Total in-situ contained lithium metal, and (3) Extractable LCE. (4) No recovery, dilution or other similar mining parameters have been applied. (5) Although the Mineral Resources presented in this Technical Report are believed to have a reasonable expectation of being extracted economically, they are not Mineral Reserves. Estimation of Mineral Reserves requires the application of modifying factors and a minimum of a PFS. The modifying factors include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social, and governmental factors.

The Mineral Resources presented in this Item are not Mineral Reserves, and do not reflect demonstrated economic viability. The reported Inferred Mineral Resources are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves. There is no certainty that all or any part of this Mineral Resource will be converted into Mineral Reserve. All figures are rounded to reflect the relative accuracy of the estimates and totals may not add correctly.

Based on the geological results presented in this Technical Report, supported by the assumptions made by Spey (presented in Section 14.10), it is the Qualified Person's opinion that the Mineral Resources have RPEEE. Further exploration, and technical studies are required to confirm the economic feasibility of the project and to allow the estimation and reporting of a Mineral Reserve.

1.3.4 Risks to MRE

Risks associated with the MRE are:

- Minor risks associated with modelled contacts.
- The current spatial distribution of brine samples is insufficient for statistical analysis of the hydrochemistry, hence variography was not conducted.
- Future application of more advanced, project specific extraction, processing, recovery, economic, and other factors in developing a more robust RPEEE assessment may affect MRE tonnages, and grades.

1.5 Mineral processing, and metallurgical testing

At this early phase of the Project, Spey has only held preliminary conversations with process engineers regarding mineral processing selection, and metallurgical testing program requirements. Once additional work to better determine the chemistry of the brine, estimate lithium Mineral Reserves, and determine overall feasibility, detailed mineral processing, and metallurgical testing analyses will be conducted.

1.6 Recommendations

Based on the results of exploration work conducted to date, additional exploration activities are justified to better characterise the sub-surface brine within the concession. To date, the upper part of the aquifer has been drilled and tested. Additional drilling and testing will allow for expansion of the resource laterally, throughout the concession area, and deeper to basement.

Due to the fact that exploration well INCA-21- 05R was terminated in permeable sediments, it is recommended that three additional diamond cored exploration wells be drilled to a depth of at least 250 metres below land surface (mbls), and potentially deeper if favourable aquifer conditions are encountered at this depth. Depth-specific sampling using an inflatable packer system should be conducted at regular intervals to better define the brine chemistry throughout the entire aquifer.

Laboratory analysis of core for drainable porosity values (specific yield), hydraulic conductivity, and particle size distribution should be conducted.

Additionally, downhole Borehole Magnetic Resonance (BMR) surveys should be conducted in the proposed diamond cored exploration wells to obtain vertical profiles of specific yield. BMR results can be reconciled against core porosity results to improve estimates of specific yield, and accessible brine. Opportunities to undertake BMR surveys in existing cased exploration wells should also be explored. Preliminary estimates of aquifer hydraulic conductivity should also be estimated by undertaking slug tests on cased exploration wells, and/or via airlift and recovery tests during or post-drilling.

In addition, it is recommended that two pumpable wells be drilled, and constructed to depths to be determined based on results of the proposed diamond cored exploration wells. Pumping tests should be conducted in the two pumpable wells to demonstrate bore yields, and aquifer hydraulic parameters (hydraulic conductivity and storativity), which are critical parameters for the development of a future numerical groundwater model, and also play a vital role in determining the number of production bores required.

For the proposed three corehole program, and two well program, costs (excluding tax, in USD) can be summarised as follows:

- Roads and drilling platforms: USD$170,000.
- Environmental studies: USD$40,000.
- Drilling and testing: USD$1,900,000.
- Field monitoring and supervision: USD$240,000.
- Reporting: USD$70,000.

Total estimated cost of approximately USD$2,420,000 (plus taxes), or CAD$3,265,00 (plus taxes) for the proposed three cored exploration well, and two pumpable well exploration program.

If the results of the proposed exploration program are favourable and support feasibility of a lithium extraction project, additional studies/work should include the following:

- Fresh water study to identify a potential sustainable fresh water supply.
- Further development of the existing hydrogeological model, including additional refinement of hydrogeological units critical to aquifer definition.
- Additional studies in support of the development of a Preliminary Economic Assessment (PEA) study.
- Additional studies in support of a Pre-feasibility Study (PFS), or Feasibility Study (FS) to support the estimation and reporting of an initial Mineral Reserve for the Project.

2 Introduction

The Project is a lithium brine exploration project located in the Puna Region of Argentina (Figure 2.1), approximately 36 km from the township of Tolar Grande on the southern end of the Incahuasi Salar. The Project sits approximately 3,500 masl, 120 km from the town of Pocitos, and approximately 245 km from San Antonio de los Cobres. Figure 2.2 shows the location of the Incahuasi Salar.

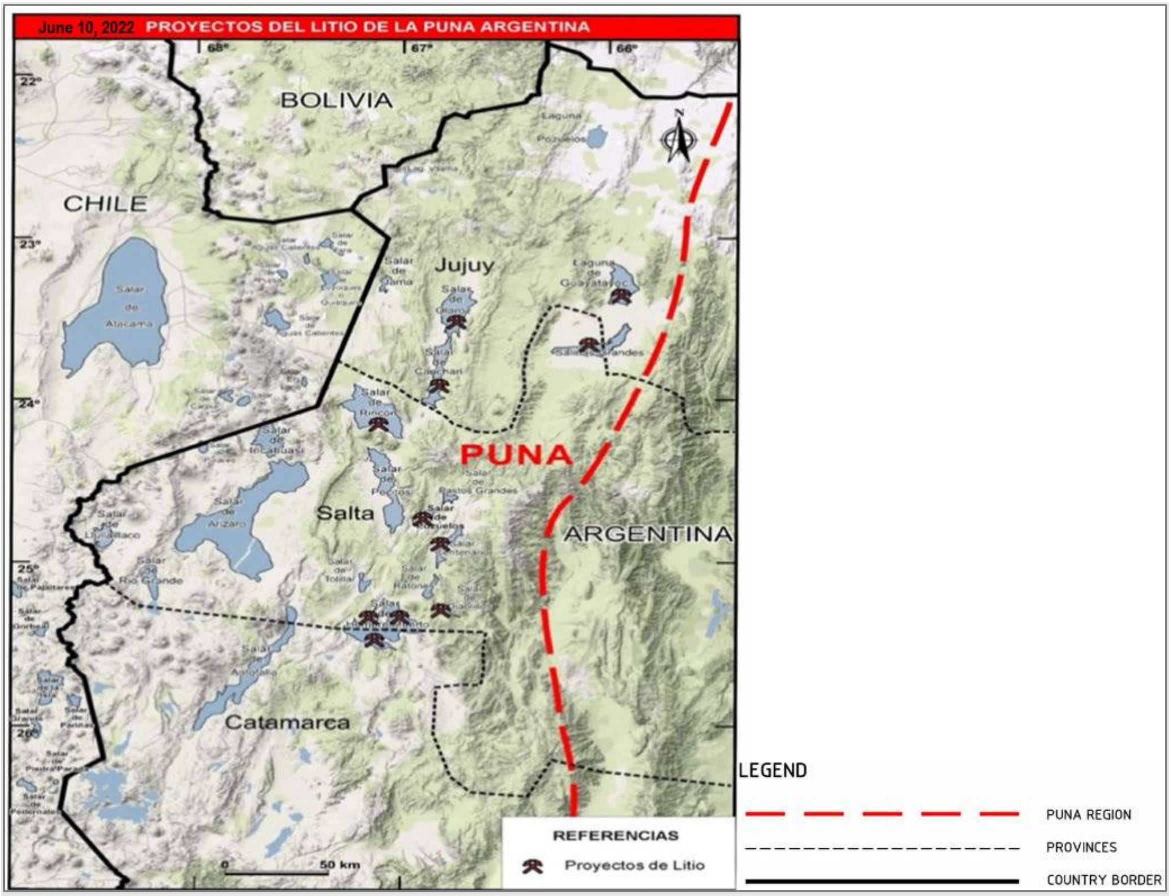

Figure 2.1 Map of Puna Region, Argentina (Montgomery and Associates Consultores Limitada (MACL), 2022)

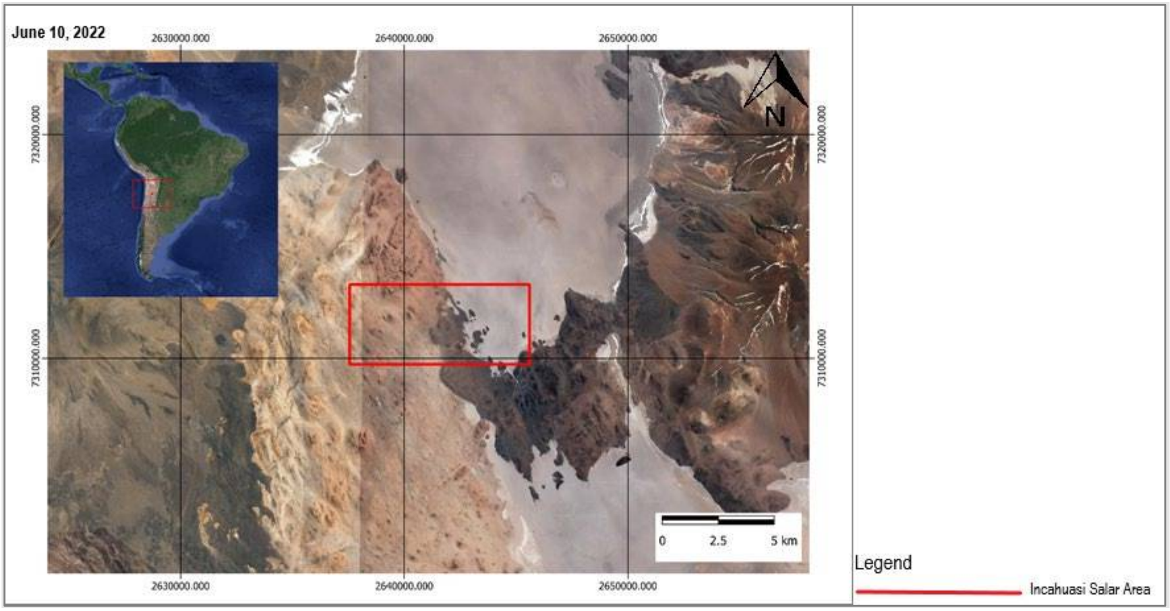

Figure 2.2 Satellite image showing the Incahuasi Salar (modified after MACL, 2022)

2.1 Sources of information and data

This Technical Report is based on information and data made available to WSP by Spey in a Virtual Data Room (VDR), and on information and data collected during a site inspection.

The Qualified Persons have no reason to doubt the reliability of the information provided by Spey. Other information was obtained from the public domain. The Qualified Persons have used all means necessary in their professional judgment to fulfill their responsibilities and do not disclaim any responsibility for the information contained herein.

This Technical Report is based on the following sources of information:

- Information provided by Spey.
- A site inspection conducted by the Qualified Person for Mineral Resources listed in Table 2.1 during September 2022.
- Nigel Unger, a geophysicist employed by Quantec provided the geophysical survey, and initial interpretation. The report provided by Quantec is dated 18 June 2021. Interpretation forming part of this work was relied on for Item 9 (Exploration).
- David Carabanti, a geologist employed by A.I.S. in Salta, Argentina arranged for sampling on site, and for delivery of the samples to SGS Argentina. David Carabanti was on site during drilling and sampling of the 2021 exploration wells. This work was relied on for Item 10 (Drilling).
- Carlos Enrique Ganam, a registered Argentine geologist, prepared and signed the Environmental Impact Report (Ganam, 2021), which is dated 5 March 2021. This work was relied upon for Item 24 (Other Relevant Data and Information).
- Jeremy Barrett, General Manager/Geophysicist, and Jim Scarborough Senior Geophysicist, employed by SouthernRock Geophysics S.A. (SRG) provided the MT geophysics survey results (completed on 23 May 2023), and subsequent results in a report dated 26 June 2023. Interpretation forming part of this work was relied upon for Item 9 (Exploration).
- Discussions with Spey personnel.

— Additional information from public domain sources.

The Qualified Persons have reviewed the supplied information and data, and have no reasons to doubt its reliability, and therefore have determined it to be adequate for the purposes of this Technical Report. The Qualified Persons do not disclaim any responsibility for this information. The documentation reviewed, and other sources of information, are listed at the end of this Technical Report in Item 27 (References).

2.2 Site inspection by Qualified Person

Ian Unsworth, a Principal Hydrogeologist, and Chartered Geologist (formerly a member of WSP's Mine Water Group) inspected the site on 19 May 2023, accompanied by Natalia Cabanillas (Spey Senior Geologist), and Anabel Molas (Spey Geologist). Ian's experience includes the conducting of hydrogeological, and geophysical (surface, and borehole) studies for the groundwater, oilfield, engineering, environmental, and minerals sectors. Ian has experience working in Australia, Western Europe, North America, and the Middle East.

Ian is considered a Competent Person (CP) for reporting of Mineral Resources according to the JORC Code 2012, and the SAMREC Code 2016 for lithium brine projects. Ian is also considered a Qualified Person for the preparation of Technical Reports according to NI 43-101, SEC S-K 1300, and other major reporting codes.

During the inspection, personnel from SRG were observed undertaking a MT survey. The existing exploration wells were also located and inspected.

In addition, flowing artesian conditions were noted at an existing bore on a neighbouring concession. Though no details of exploration well depth, or construction are available.

Ian's employment with WSP ceased on 26 May 2023.

2.3 WSP declaration

The opinions of Qualified Persons in the employ of WSP contained herein and effective 18 September 2023, are based on information collected throughout the course of investigations by the Qualified Persons. The information in turn reflects various technical and economic conditions at the time of preparing the Technical Report. Given the nature of the mining business, these conditions can change significantly over relatively short periods of time. Consequently, actual results may be significantly more or less favourable.

This Technical Report may include technical information that requires subsequent calculations to derive sub-totals, totals, and weighted averages. Such calculations inherently involve a degree of rounding, and consequently introduce a margin of error. Where these occur, the Qualified Persons do not consider them to be material.

Neither WSP, nor the Qualified Persons responsible for this Technical Report, are insiders, associates, or affiliates of Spey. The results of the technical review by the Qualified Persons are not dependent on any prior agreements concerning the conclusions to be reached, nor are there any undisclosed understandings concerning any future business dealings.

2.4 Forward-looking information

This Technical Report contains “forward-looking information”, and “forward-looking statements” within the meaning of applicable securities legislation which involve a number of risks and uncertainties. Forward-looking information and forward-looking statements include, but are not limited to, statements with respect to the future prices of lithium, the estimation of Mineral Resources and Mineral Reserves, the realisation of mineral estimates, the timing and amount of estimated future production, costs of production, capital expenditures, costs (including capital costs, operating costs, and other costs) and timing of the Life of Mine (LOM), rates of production, annual revenues, requirements for additional capital, government regulation of mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, and limitations on insurance coverage.

Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved.

Forward-looking statements are based on the opinions, estimates, and assumptions of contributors to this Technical Report. Certain key assumptions are discussed in more detail. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of Spey to be materially different from any other future results, performance or achievements expressed or implied by the forward-looking statements.

Such factors include, among others: the actual results of current development activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of lithium; possible variations in grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry, delays in obtaining governmental approvals or financing, or in the completion of development or construction activities; shortages of labour and materials, the impact on the supply chain and other complications associated with pandemics, including the COVID-19 (coronavirus) pandemic; as well as those risk factors discussed or referred to in this Technical Report and in Spey’s documents filed from time to time with the securities regulatory authorities in Canada.

There may be other factors than those identified that could cause actual actions, events, or results to differ materially from those described in forward-looking statements, and there may be other factors that cause actions, events or results not to be anticipated, estimated, or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements. Unless required by securities laws, the authors undertake no obligation to update the forward-looking statements, if circumstances or opinions should change.

2.5 Abbreviations

Abbreviations and acronyms used in this Technical Report are included in Table 2.1.

Table 2.1 Abbreviations and acronyms

Abbreviation	Description
1D	one dimensional
2D	two dimensional
°C	degrees Celsius
A.I.S.	A.I.S. Resources S.A.
Allkem	Allkem Limited

Abbreviation	Description
Amaru	Amaru Mining Services
A.I.S.R.	A.I.S. Resources Ltd
BMR	Borehole Magnetic Resonance
CAD	Canadian Dollars
CIM	Canada Institute of Mining
cm	centimetre
CSV	Comma Separated Values
CV	Coefficient of Variation
EID	Environmental Impact Declaration
EIS	Environmental Impact Statement
EJVPA	Exploration Joint Venture Purchase Agreement
FOB	Free on Board
g/cm^3	grams per cubic centimetre
Ganfeng	Ganfeng Lithium Co., Ltd.
GPS	Global Positioning System
ha	hectare
ID	Inverse Distance
km/h	kilometres per hour
km^2	Square kilometres
LAM	Latin American Minerals Inc.
LCE	Lithium Carbonate Equivalent
LOM	Life of Mine
Ma	Million years
masl	meters above sea level
mbls	metres below land surface
mg/L	milligrams per litre
mm	millimetres
Montgomery	Montgomery & Associates, Inc.
MRE	Mineral Resource Estimate
MT	Magneto-Telluric
Ω·m	Ohm metres
Orocobre	Orocobre Limited
PEA	Preliminary Economic Assessment
PepinNini	PepinNini Minerals Limited
PM	Particulate Matter
Power Minerals	Power Minerals Limited
ppm	parts per million

Abbreviation	Description
PVC	Polyvinyl Chloride
QA/QC	Quality Assurance/Quality Control
QC	Quality Control
Quantec	Quantec Geoscience Argentina S.A.
RL	Relative Level
RPEEE	Reasonable Prospects of Eventual Economic Extraction
SD	Standard Deviation
SGS Argentina	SGS Argentina S.A.
Spey	Spey Resources Corp.
SRG	SouthernRock Geophysics S.A.
SRA	Spey Resources S.A.
Sterling	Sterling Metals Corp.
TD	Total Depth
TDS	Total Dissolved Solids
Tech One	Tech One Lithium Resources Corporation
TEM	Transient Electromagnetic
tpa	tonnes per annum
USD	United States Dollars (USD)
VDR	Virtual Data Room
WSP	WSP Australia Pty Limited

2.6 Language currency and measurement standards

Some technical reports and references have been written in Spanish and translated to English. Currencies used are United States Dollars (USD), and Canadian Dollars (CAD). Measurements used are metric.

2.7 Statement for brine mineral prospects and related terms

Brine Mineral Resource and Reserve estimates are not “solid mineral deposits” as defined under CIM 2003, 2010, and 2012 standards. However, there are sufficient similarities to mineral deposits that the guidelines published by the CIM are followed for this Technical Report. Brine is a fluid and hosted in an aquifer and thus has the ability to move and mix with adjacent fluids once extraction starts using production wells as a mining method. Mineral Resource estimation of a brine is based on knowledge of the geometry of the aquifer, and the variation in drainable porosity and brine grade within the aquifer. In order to assess the potential reserve, further information on the permeability and flow regime in the aquifer, and its surroundings are necessary in order to predict how the resource will change over the Life of Mine (LOM).

3 Reliance on other experts

The Qualified Persons have followed standard professional procedures in preparing the contents of this Technical Report. Information and data used in the preparation of this Technical Report have been verified, and the Qualified Persons have no reason to believe information has been withheld that would affect the conclusions made herein. The Qualified Persons' opinion contained herein is based on information provided to the qualified Persons by Spey throughout the course of the investigations. The Qualified Persons have taken reasonable measures to confirm information provided by others and take responsibility for the information.

The Qualified Persons used their experience to determine if the information from previous reports was suitable for inclusion in this Technical Report, and adjusted information that required amending. The Qualified Persons do not disclaim any responsibility with respect to the inclusion of the information from the previous reports.

The Qualified Persons relied on Spey for guidance on applicable taxes, royalties, and other government levies or interests, applicable to revenue or income from the Project. The Qualified Persons have not performed an independent verification of land title and tenure as summarised in Item 4 of this Technical Report. The Qualified Persons did not verify the legality of any underlying agreement(s) that may exist concerning the permits or other agreement(s) between third parties but have relied on information provided by Spey, as of 28 May 2023 (further data was supplied on 8 and 25 June 2023), for land title issues.

The following have been relied on directly by the Qualified Persons for preparation of this Technical Report:

- Nigel Unger, a geophysicist employed by Quantec, provided the geophysical survey and initial interpretation. The report provided by Quantec is dated 18 June 2021. Interpretation forming part of this work was relied upon for Item 9 (Exploration).
- David Carabanti, a geologist employed by A.I.S. in Salta, Argentina arranged for sampling on site, and for delivery of the samples to SGS Argentina. David Carabanti was on site during drilling and sampling of the 2021 exploration wells. This work was relied on for Item 10 (Drilling).
- Carlos Enrique Ganam, a registered Argentine geologist, prepared and signed the Environmental Impact Report (Ganam, 2021), which is dated 5 March 2021. This work was relied upon for Item 24 (Other Relevant Data and Information).
- Jeremy Barrett, General Manager/Geophysicist, and Jim Scarborough Senior Geophysicist, employed by SRG provided the MT geophysics survey results (completed on 23 May 2023), and subsequent results in a report dated 26 June 2023. Interpretation forming part of this work was relied upon for Item 9 (Exploration).

4 Property description and location

4.1 Location

The Project covers approximately 29.6 km^2, being approximately 8 km in length, and 3.7 km in width. Figure 4.1 shows the location of the Project.

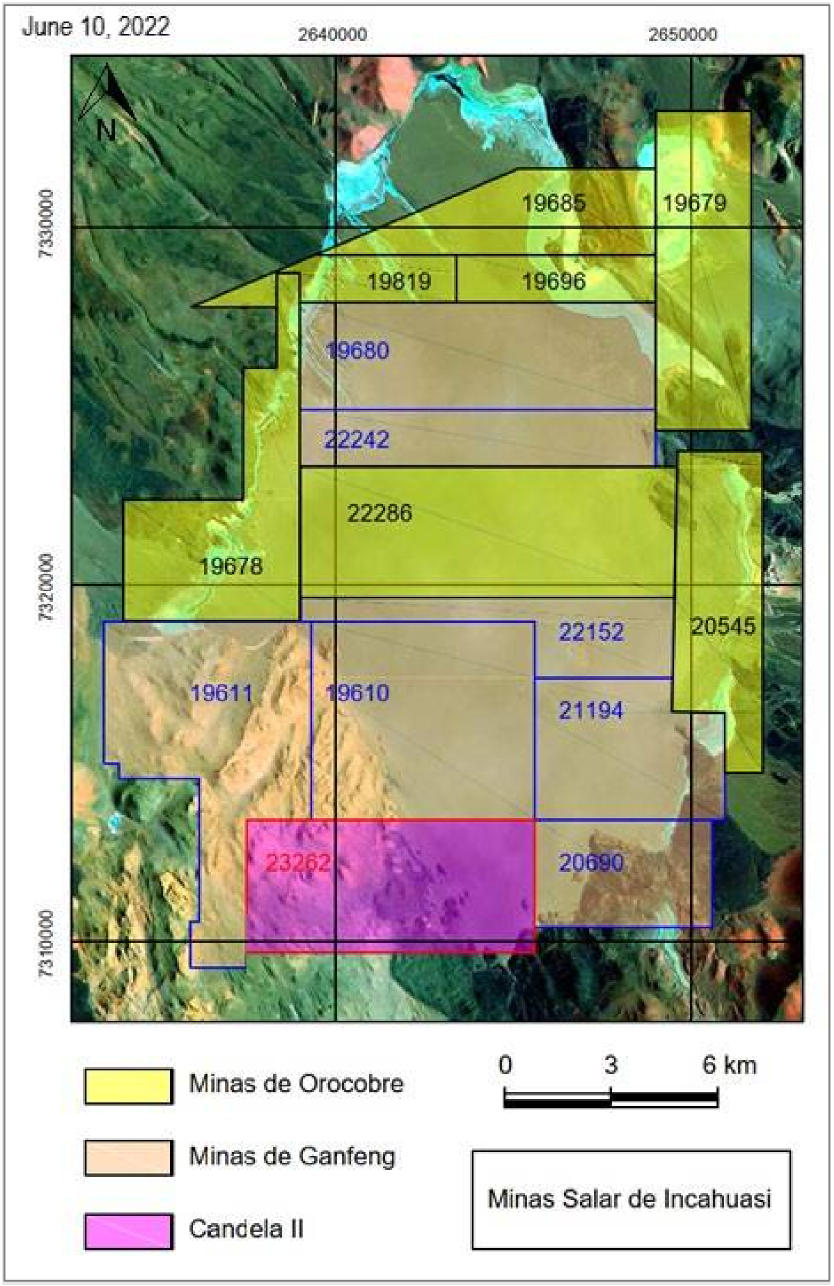

Figure 4.1 Incahuasi Salar and the Candela II Concession (MACL, 2022)

The Project is a License for Exploration of lithium, and borates (Claim Number Expediente No. 23,262). The Project is located in the Los Andes department of Salta Province, Argentina. The concession is described in File No. 23,262 and Table 4.1 summarises the Gauss Kruger co-ordinates (POSGAR 2007 Argentina 2).

Table 4.1 Project concession boundary co-ordinates (POSGAR 2007 Argentina 2)

Point Corner	Easting (X)	Northing (Y)
1	2,637,553.64	7,313,400
2	2,645,600	7,313,400
3	2,645.600	7,309,671.61
4	2,637,553.64	7,309,672.61

4.2 Mineral title and land ownership

The Vendor provided an option to A.I.S.R. to acquire the Project by making a payment of USD$1,000,000 (approximately CAD$1,350,000). Spey, and A.I.S.R. had contractual obligations to keep the Project in good standing, including any rehabilitation required, and/or any other requirements. Subsequently on 18 March 2022, SRA acquired the Project with 20% owned by A.I.S.R.

Argentine mining law provides for the granting of two types of mining rights i.e., exploration permits ("cateos"), which are limited in duration and allow for the exploration of a mineral property, and mining permits ("minas"), which allow for the exploitation of the minerals in the subject property. The designations of the permits in respect of the Project are mining permits. Mining permits are unlimited in duration and remain the holder's property as long as the holder meets their obligations under the Argentine National Mining Code, including biennial canon payments, and minimum investment commitments.

Prior to completing the option agreement, the Vendor was the sole legal and beneficial owner of mining tenements identified as File No. 23,262 – Mina Candela II. The option holders, A.I.S. and Spey also had the right to explore and to acquire, via an option agreement the mining tenement identified as File No. 23,262. A.I.S.R. paid a consideration to option the Project to the Vendor to acquire a 100% interest, and then optioned its interest in the Project to Spey.

4.3 Surface rights

The surface rights belong to the concession holder, and have been acquired by Spey via an option agreement.

4.4 Agreements and encumbrances

There are no encumbrances on the Project. The option agreement between A.I.S.R., and Spey (through wholly owned subsidiary SRA) was signed on 18 March 2021. The option agreement between A.I.S.R and the Vendor was signed on 18 February 2021.

Spey had a USD$500,000 (approximately CAD$675,000) exploration expenditure commitment to explore the Project in the first year of the option. The exploration expenditure commitment work was completed and is documented in this report.

4.5 Mining royalties and taxes

The royalties imposed on lithium producers by the province of Salta and the federal government are 4.5% of the Free on Board (FOB) export value of the lithium sold. From a historical perspective, Law No. 27,541 (Economic Emergency Law), which was adopted by the National Congress in 2019 enabled the federal government to impose export duties on mining activities until 31 December 2021. These export duties could not exceed 8% of the dutiable value of the official

FOB price. Most provinces (including Salta), have their own Mining Procedural Codes, which generally follow the standards and guidelines of the national Mining Code. The provincial Mining Procedural Codes include the following elements:

- relevant procedure for requests for the granting of mineral rights; and
- available mechanisms to challenge decisions of mining enforcement authorities.

4.6 Environmental liabilities

All persons or entities engaged in prospecting, exploration, and exploitation activities are responsible for any environmental damage that may occur due to non-compliance with rules of environmental protection that apply to mining activities, whether the damage is caused directly or by contractors or subcontractors (Section 248, Argentine Mining Code).

The titleholder (currently Spey) is jointly and severally liable for damage caused by persons or entities conducting surface activities with the consent of the titleholder. Environmental requirements are set out in the Environmental General Protection Act No. 25,675, which also applies to the mining industry, and Law No. 24,585, which has been incorporated into the Mining Code. Law No. 24,585 outlines the most important rules of environmental protection specific to mining activities, including the following:

- Individuals or entities seeking to conduct prospecting, exploration, or exploitation activities must first file an Environmental Impact Statement (EIS) with the enforcement authority.
- If the EIS meets the standards of Law No. 24,585 and its complementary rules, the enforcement authority issues an Environmental Impact Declaration (EID), that allows the applicant to conduct the proposed activities.
- The EID is issued for two years, with a set of conditions and requirements that the interested party must comply with to maintain the validity of the EID.
- Companies must submit updates of the EIS every two years from its initial approval.

The Federal Congress sets the minimum environmental standards, and the provincial and municipal governments can impose higher protections. Higher provincial and municipal requirements will apply if they are not manifestly incompatible with federal standards (this is the interjurisdictional co-ordination criteria established by the Federal Supreme Court) [Section 41, Constitution].

4.7 Permitting

An application for an exploration concession application must include the following details:

- the geographic co-ordinates of the requested area;
- the purpose of the exploration;
- the name of the individual, or company requesting the concession;
- the name of the owner of the surface land;
- a description of the work to be conducted, including the estimated investment and equipment; and
- a sworn statement affirming that the request does not violate the Mining Code.

The exploration concession applicant must pay an exploration fee on filing of the application (approx. USD$78/hectare [ha] or CAD$105/ha). The fee is reimbursed (totally or partially) if the permit is denied or granted for a smaller area. The mining authority will automatically deny the request if the applicant does not submit evidence of payment of the fee.

To obtain an exploitation concession, the applicant must comply with the following requirements/steps:

- The discoverer must file a discovery claim with the mining enforcement authority. The discovery claim must be submitted together with a sample of the mineral.
- If the requested area is available, the mining authority must register the discovery claim. The registration request is published in the provincial Official Gazette.
- Within 100 days following the registration of the discovery claim, the discoverer must perform and declare legal works over the area to prove the existence of the deposit.
- The discoverer must file a petition requesting the measurement and demarcation of the units of exploitation corresponding to the area (pertenencia). The number of areas that an applicant can request varies, depending on the type of mineral deposit (lithium or secondary minerals such as borates) and on the type of applicant (for example, an entity or an individual).
- The mining authority registers the measurement and grants a copy to the applicant as proof of title to the exploitation concession.

4.8 Additional significant factors

The Qualified Persons have not identified additional factors which may impact the continued property tenure of Spey.

5 Accessibility, climate, local resources, infrastructure, and physiography

5.1 Access

Figure 5.1 shows the location of the Project, and the road access to the Project from Salta.

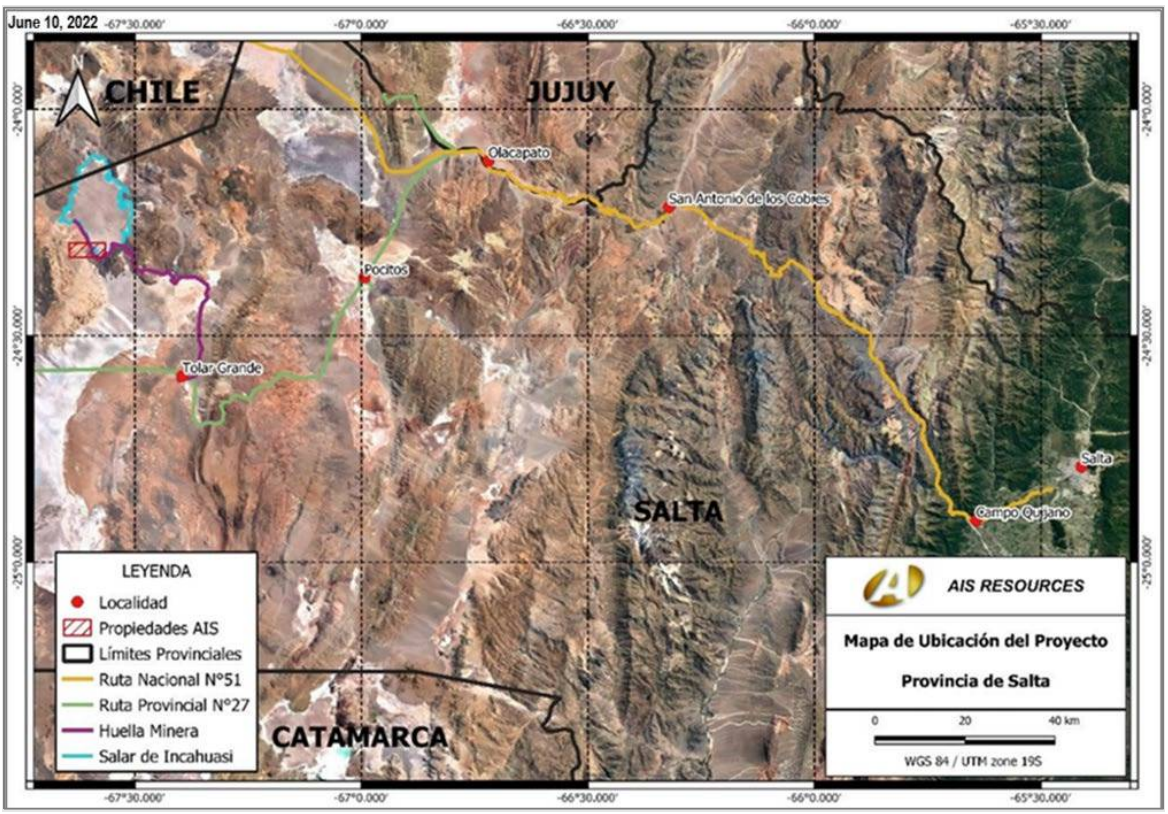

Figure 5.1 Project location and road access from Salta (MACL, 2022)

The Project is located approximately 36 km north-northwest of the town of Tolar Grande, and can be accessed from Salta as follows:

- Taking the West Motorway, and travelling approximately 35.5 km along National Route N°51 to the town of Campo Quijano.
- From there continuing approximately 129 km going past the villages of Ing. Mauri, Alfarcito, and Santa Rosa de Tastil, reaching the town of San Antonio de los Cobres.
- Continuing a further 61 km towards Cauchari Salar.
- Taking Provincial Route N° 27, and travelling approximately 70 km until reaching Pocitos Salar.
- Travelling a further 80 km until reaching the town of Tolar Grande.

- From Tolar Grande, Incahuasi Salar access is by way of a mining road (Huella Minera) of approximately 65 km in length.

Figure 5.2 shows the condition of the mining road.

Figure 5.2 View of the Mining Road to the Project

5.2 Local resources

The nearest population centre is the village of Tolar Grande (population 240), which has services such as a health centre, lodging facilities, and a school. The nearest large city is Salta, (population 704,000) located approximately 240 km east-southeast of the Project. Resources in the local area are basic, with most supplies being brought in from Salta, or San Antonio de los Cobres.

5.3 Site infrastructure

There are no power lines, or gas lines near Incahuasi Salar. Roads are unmaintained and dirt, but generally in good condition due to low rainfall during the winter months (Table 5.1) and are usable year-round.

5.4 Climate

The Incahuasi Salar is located in a high altitude, cold desert climate (Puna environment) characterised by extreme temperatures ranging from -20°C to -30°C in winter, and from 25°C to 0°C in summer. The main rainy season is between October through March, and mean precipitation is between 50 and 100 millimetres (mm) per year. Table 5.1 shows monthly average temperature, and precipitation records for Tolar Grande (located 36 km south of the Incahuasi Salar).

Table 5.1 Mean monthly weather conditions for Tolar Grande (MACL, 2022)

Climate table of Tolar Grande

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Day temp. (°C)	24	23	21	20	18	17	16	19	21	23	23	24
Night temp. (°C)	14	14	12	10	8	6	5	7	9	12	13	15

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Precipitation (mm)	79	80	50	33	9	4	2	2	13	38	50	73
Days with rain	20	20	22	18	9	3	2	2	5	17	19	21
Dry days	11	8	9	12	22	27	29	29	25	14	11	10

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Sun hours per day	9	9	8	9	9	10	10	10	10	9	9	9
Wind force (Bft)	2	2	2	2	2	2	2	2	2	2	2	2
UV-index	5	5	5	4	3	4	4	5	5	5	5	6

Strong winds are common at the Project, as is common in many deserts, and the Puna regions. Wind speeds during winter commonly range from 15 to 40 kilometres per hour (km/h). Velocity is lower during the summer months, and much lower at night than during daylight hours.

5.5 Physiography

The Project is located in the Puna (Altiplano) region of western Salta Province, at an altitude of approximately 3,200 masl. The region is dominated by ancient volcanos. The Puna Plateau is an uplifted crustal block of the old crystalline basement raised by the Tertiary Orogeny and includes evaporite basins or salars like Incahuasi that may contain elevated lithium concentrations. The Incahuasi Salar is an internally drained (endorheic) basin where evaporation is the only outflow for precipitation that flows into the basin. Figure 5.3 shows a photo of the Incahuasi Salar and surrounding topography. Volcanic complexes dominate the relief to the west, including the Aracar Volcano (altitude of 6,092 masl).

Figure 5.3 Photo of the Incahuasi Salar from the northeast (looking towards the Aracar Volcano) (MACL, 2022)

6 History

6.1 Prior ownership

The Vendor acquired the concession prior to 2007 and had not developed the Project prior to entering into an option agreement with A.I.S.R. in 2021. A.I.S.R. conducted surface sampling of brine in April 2021 after constructing the road infrastructure into the Salar.

6.2 Previous exploration and development

With exception to the 2021 exploration drilling and sampling program, no other exploration on the Project is known to have occurred.

6.3 Historical Mineral Resource and Reserve statements

There are no historical published Mineral Resource or Mineral Reserve statements.

6.4 Historical production

There has been no lithium production at the Project to date.

7 Geological setting and mineralisation

7.1 Geological setting

The Incahuasi Salar is located in the geological province of La Puna (Turner, 1972), and within the Puna Austral geological sub-province (Alonso et al., 1984a). One of the most important characteristics that define the geological province of La Puna is the presence of evaporite basins or "salares" where deposits of borates, sodium sulphate, and lithium are concentrated. The Incahuasi Salar occupies one of these endorheic (internal drainage) basins. Other salars proximal to the Project area include the Arizaro, Jama, Rincón, Llullaillaco, and Antofalla. Figure 7.1 shows a geological map of the area, and the stratigraphic explanations associated with each unit.

The oldest rocks in the Project area outcrop to the southwest of the Incahuasi Salar, forming the Taca Taca mountain range, which corresponds to the Taca Taca Formation. The Taca Taca Formation is Ordovician in age, and comprises primarily granodiorite with coarse and fine-grained facies, intruded by aplitic and diabasic dykes of the same age. Later, the Taca Taca Formation was intruded by a set of intrusive bodies, with porphyritic texture, attributed to the Llullaillaco Plutonic Complex (Permian), and by rhyodacitic and rhyolitic dykes and porphyries from the Santa Inés Volcanic Complex (Eocene).

The sedimentary outcrops located between the Incahuasi, and Arizaro salars correspond to the Vizcachera Formation of Oligocene to Middle Miocene age, consisting of sandy-conglomerate, sandy-clayey and sandy-chalky, poorly consolidated rocks. The other rocks that dominate the area are of volcanic origin. Volcanic rocks consist mostly of basalts, andesites, dacites, and rhyolites of upper Tertiary age.

The basins between the volcanic outcrops consist of Quaternary age, poorly consolidated to unconsolidated, colluvial and alluvial sedimentary deposits. The Quaternary fill terminates, and interfingers with the evaporite deposits, which form salt flats in the central areas of the salars.

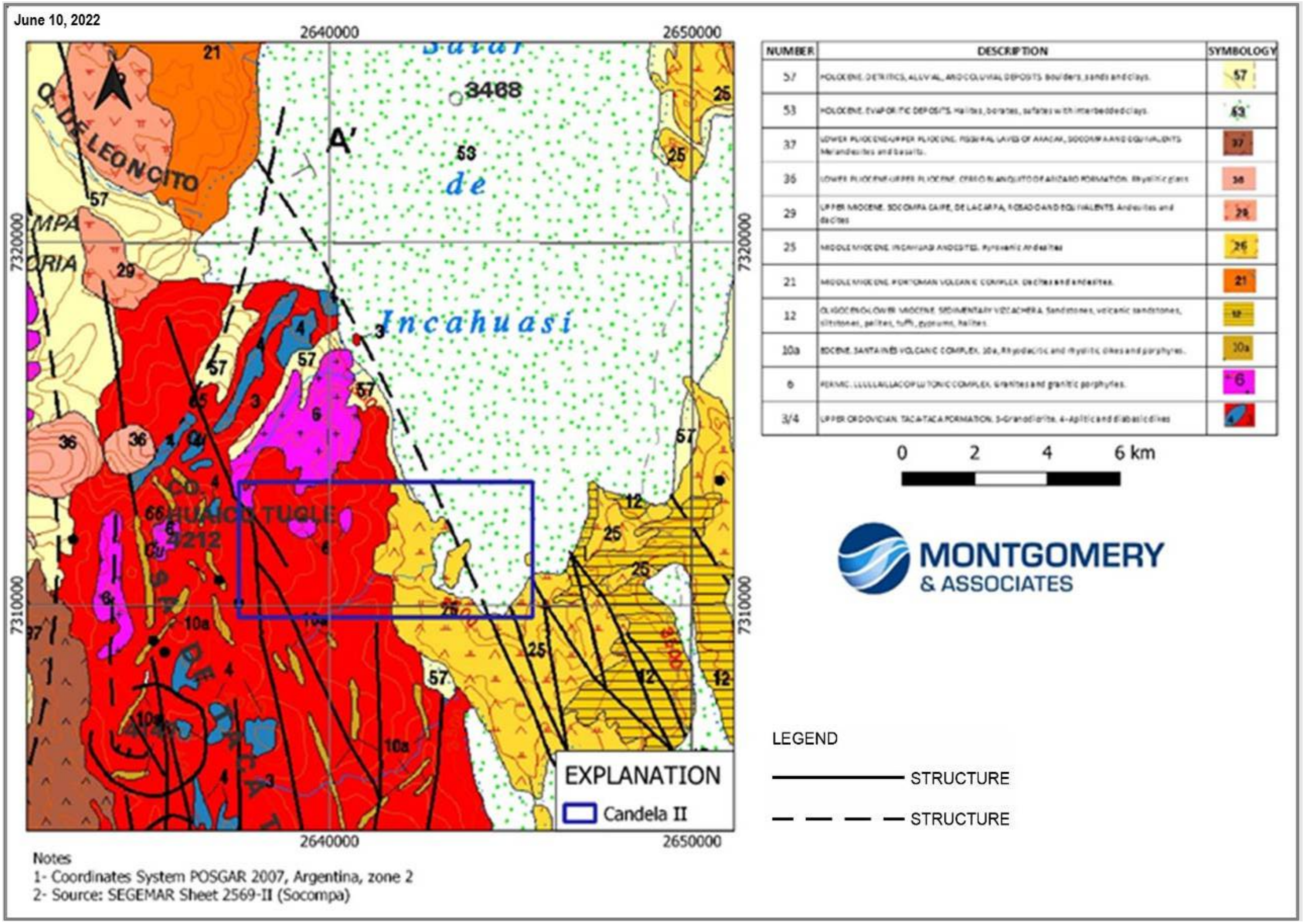

Figure 7.1 Geological map of the Project (MACL, 2022)

7.1.1 Ordovician

7.1.1.1 Taca Taca Formation

The Taca Taca Formation comprises a granodiorite intruded by aplitic. and diabasic dyke rocks. Méndez (1975) first described this formation as a plutonic body outcropping on the western margin of the Incahuasi Salar, and on the northwestern margin of the Arizaro Salar, forming the Sierra de Taca Taca.

7.1.1.2 Plutonic Ordovician rocks

Several Ordovician outcrops in the area of the Western Puna comprise a volcano-sedimentary and plutonic belt known as the Western Puna Eruptive Belt and has been assigned to the Upper Ordovician (Coira et al., 1999). In the mountains that border the Arizaro Salar, the following granitoids occur: Chachas, Taca Taca (419 +/- 16 million years ago [megannum, or Ma]), Arita (419-418 Ma), Macón, Navarro (429 +/- 36 Ma), and the La Casualidad. These granitoids are located on an Ordovician age sedimentary basement, with a low degree of metamorphism. The best-studied pluton is the Taca Taca. Koukharsky and Lanés (1994), describes the Taca Taca pluton as a grey biotitic monzogranite predominates, crossed by aplitic dikes, and diffuse contact pegmatite lenses. A recent K-Ar dating of the grey monzogranite biotites assign a minimum age of 419 +/- 16.0 Ma (Koukharsky and Lanés, 1994). These outcrops separate the Arizaro, and Incahuasi salars.

7.1.2 Permian

7.1.2.1 Llullaillaco Plutonic Complex

Mendez (1975) grouped various rocks, previously described as part of the Taca Taca Formation, Llullaillaco Formation, and La Casualidad Formation, the Llullaillaco Plutonic Complex. At the northern end of the Taca Taca mountain range, a set of outcrops with a porphyritic texture intrude into the Taca Taca Granodiorite and are included in the Llullaillaco Plutonic Complex. The Llullaillaco Plutonic Complex consists of tonalitic-granodioritic porphyries, granitic porphyries, and rhyodacitic porphyries, as well as rocks affected by hydrothermal alteration linked to magmatic activity.

7.1.3 Palaeocene-Eocene

7.1.3.1 Santa Ines Volcanic Complex

The Santa Ines Volcanic Complex comprises rocks previously included in the Taca Taca, and Llullaillaco formations (Zappettini et al., 2001). The Santa Ines Volcanic Complex predominantly consists of dacite, dacitic ignimbrites, and rhyodacitic to rhyolitic dykes.

In the Taca Taca Range, rhyodacitic and rhyolitic porphyry dykes intrude the Palaeozoic granitic-granodioritic basement of the Taca Taca Formation. Radiometric dating of a dacitic porphyry belonging to the outcropping sequence in the Taca Taca area Range estimates a K/Ar age of 42 Ma (Zappettini et al. 2001). For these reasons, the Santa Ines Volcanic Complex has been assigned a Lower Eocene-Oligocene age.

7.1.4 Middle Oligocene-Lower Miocene

1.6.1.1 Vizcachera Formation

The Vizcachera Formation corresponds to the sedimentary sequence between the Arizaro, and Incahuasi salars. The sequence consists of 1 to 10 centimetre (cm) thick layers of sandy-conglomeratic, sandy-clayey, weakly-consolidated sedimentary units. In the upper part of the formation, light grey sandstones of probable aeolian origin are present.

7.1.5 Middle Miocene

7.1.5.1 Portomán Volcanic Complex

Koukharsky (1988a) described a set of pyroclastic rocks, dacitic, and andesitic lavas that comprise the Portomán Volcanic Complex. Outcrops to the west of the Incahuasi Salar consist of finely vesiculated, grey, brown, and purple dacites, and andesites.

7.1.5.2 Incahuasi Andesites

The Incahuasi andesites are located between the Incahuasi, and Arizaro salars, and form thin black mantles overlying older rocks and are disaggregated into blocks. The outcrops consist mostly of andesites, containing phenocrysts of plagioclase, amphibole, pyroxene, and biotite. They unconformably overly the granodiorites of the Taca Taca Formation, and units belonging to the Vizcachera Formation.

7.1.6 Upper Miocene

7.1.6.1 Socompa Caipe, de la Carpa, and Rosado Volcanic Complexes

Included in the Socompa Caipe, de la Carpa, and Rosado Volcanic Complexes are the volcanic centres that from north to south comprise the basal part of the Salín Hill, the Socompa Caipe Hill, and the outcrops are part of the Loma Colorado. In the Project area, the andesites and dacites that crop out in the Leoncito Ravine have been assigned to this unit.

7.1.7 Pliocene

7.1.7.1 Cerrito Blanco de Arizaro Formation

The Cerrito Blanco de Arizaro Formation was initially designated by Galliski et al. (1987). The name comes from the denomination used by Koukharsky (1969) for those vitreous rocks that comprise the domes located to the east of Aracar Hill (northwest of the Taca Taca Range), and in the Vega Arizaro area. These domes are composed of light grey to cream white glassy flows, in which biotite phenocrysts stand out (Koukharsky, 1988a). The glass appears fresh and colourless. There are vesicles which are partially occupied by what is believed to be sericite.

7.1.7.2 Aracar Lavas

The Aracar Lavas occur in the west of the Taca Taca Range and consist of dark grey to black basaltic rocks that are partly vesicular, with phenocrysts of plagioclase (labradorite), pyroxenes (hypersthene, and augite), and olivine.

7.1.8 Holocene

7.1.8.1 Evaporite deposits

Evaporite deposits occupy the central part of the Incahuasi Salar and are actively being deposited via evaporation. They are composed of chloride, sulphate, and borate minerals, interbedded with pellitic deposits (Alonso, 1999). The Incahuasi Salar has a characteristic crusty surface, with the development of polygon surface structures up to 2-3 m in diameter, and up to 50 cm in thickness.

7.1.8.2 Alluvial and Colluvial deposits

Alluvial and colluvial deposits in the Project area are located to the north in Pampa Coria, and in the Vega de Arizaro area. These deposits consist of unconsolidated materials, occur widely, and have variable thicknesses that increase towards the lower areas. Alluvial fans form large sedimentary deposits, with poorly stratified layers of gravel and sand that grade to silt and evaporite towards the distal areas. The youngest alluvial fans in these salars are superimposed on older ones, and are actively being deposited. In the distal sectors they intercalate with each other as they grow toward the lower parts of the basin floor.

7.2 Local and project geology

The Incahuasi Salar is located between Cerro Purisunchi, Chile and the Arizaro Salar, Argentina. It has a NNE-SSW alignment and is bound to the west by the volcanics of Cerro Ararca (6,120 masl) and to the east by the volcanics of Cerros de Guanaqueros (5,130 masl). The Project is located on the southern end of the Incahuasi Salar.

7.2.1 Lithology

Figure 7.2 shows the typical morphology of the Incahuasi Salar in the Project area. Previous lithological interpretations created in 2022 were used as a guide to inform the current model developed by WSP.

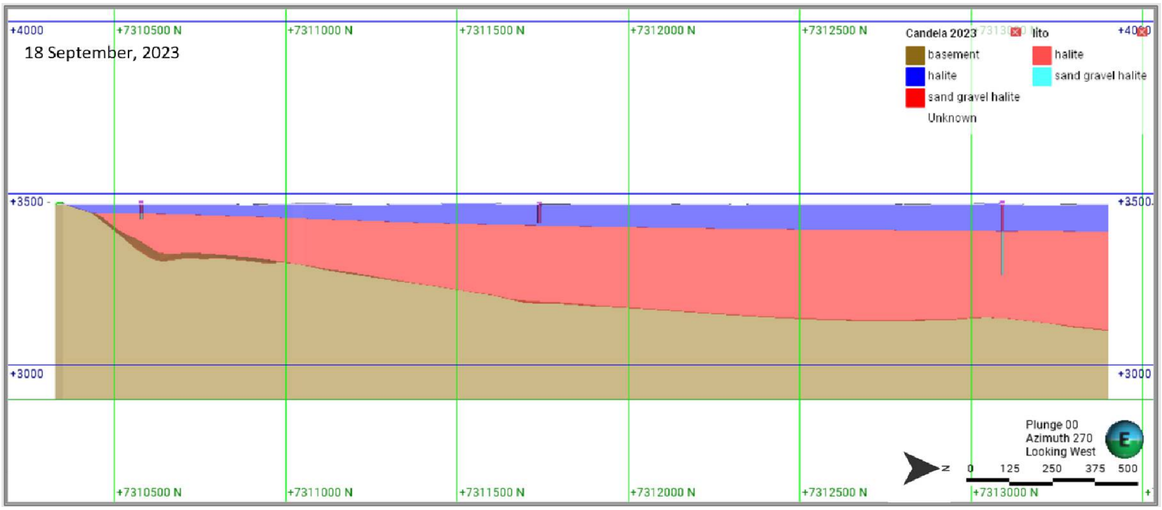

Figure 7.2 North-south cross-section along the eastern margin of the Project showing the geomorphology of the Incahuasi Salar

The lithology model developed by WSP was split into two major components, these being the basement, and the mineral enriched brine aquifer. Within the aquifer, two lithological facies were interpreted from drill cuttings, with contacts further interpreted from the MT and TEM survey data.

7.2.1.1 Halite

The surface unit is a massive porous halite unit containing sand, silt, and clay, which increases with depth towards the centre of the salar, with a maximum thickness of 81 m recorded in drill hole INCA-21-05R.

7.2.1.2 Sand gravel halite

The second unit is a predominately clastic sedimentary deposit of fine to coarse sand, with interbedded gravel, conglomerate, and halite layers.

7.2.1.3 Basement

The basement unit is assumed to be comprised of volcanics (granodiorite, and andesites) recorded on the west and south of the salar. No drilling has intersected the basement unit. The previous geological model used the TEM interpretations to define the basement contact to be "*at least 100 m below the surface on average with a maximum depth on the eastern side of the Candela II mine around 300 m*". The basement contact polylines from the previous geological model were used as a depth guide as new polylines were digitised by WSP from resistivity iso-lines on the most recent MT survey conducted in May 2023 (Figure 7.3).

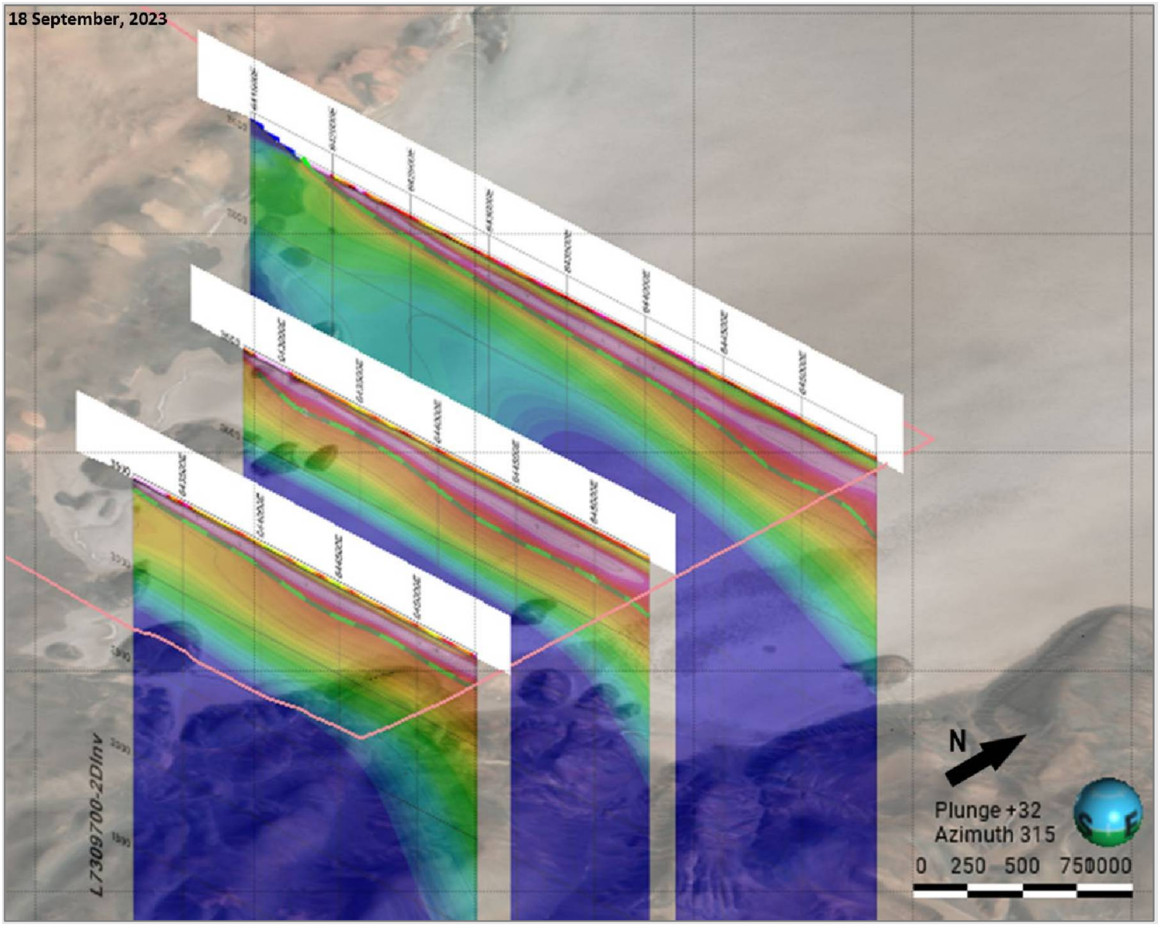

Figure 7.3 MT survey data with basement contact polylines (isometric view)

7.3 Mineralisation

Mineralisation consists of a lithium-enriched brine, contained within the pore spaces of the sedimentary strata in the salar basin. In addition to lithium, boron, and potassium enrichment are considered as potential future economic elements. The boundaries of the mineralisation are suspected to be the basin extent, although some lithium-enriched brine may be contained in the fractures, and/or pores of the rocks that form the basin boundary.

8 Deposit type

The deposit type is a lithium-enriched, saline brine aquifer occurring in a high altitude, hydraulically closed basin. The conceptual geological model of salars by Bradley et al. (2013) [Figure 8.1] agrees well with the observed conditions within salars of the Puna region of Northern Argentina. In closed basin systems, where evaporation potential exceeds precipitation input, fresh water evaporates, and results in the concentration of elements present in the water, producing brines. When even small amounts of lithium are present in fresh water, lithium has the potential to evapo-concentrate since it does not easily crystallise into mineral form until effectively all water is evaporated. Therefore, lithium stays in solution in the aquifer resulting in lithium-rich brine in closed basins where the conditions are optimal for its evapo-concentration.

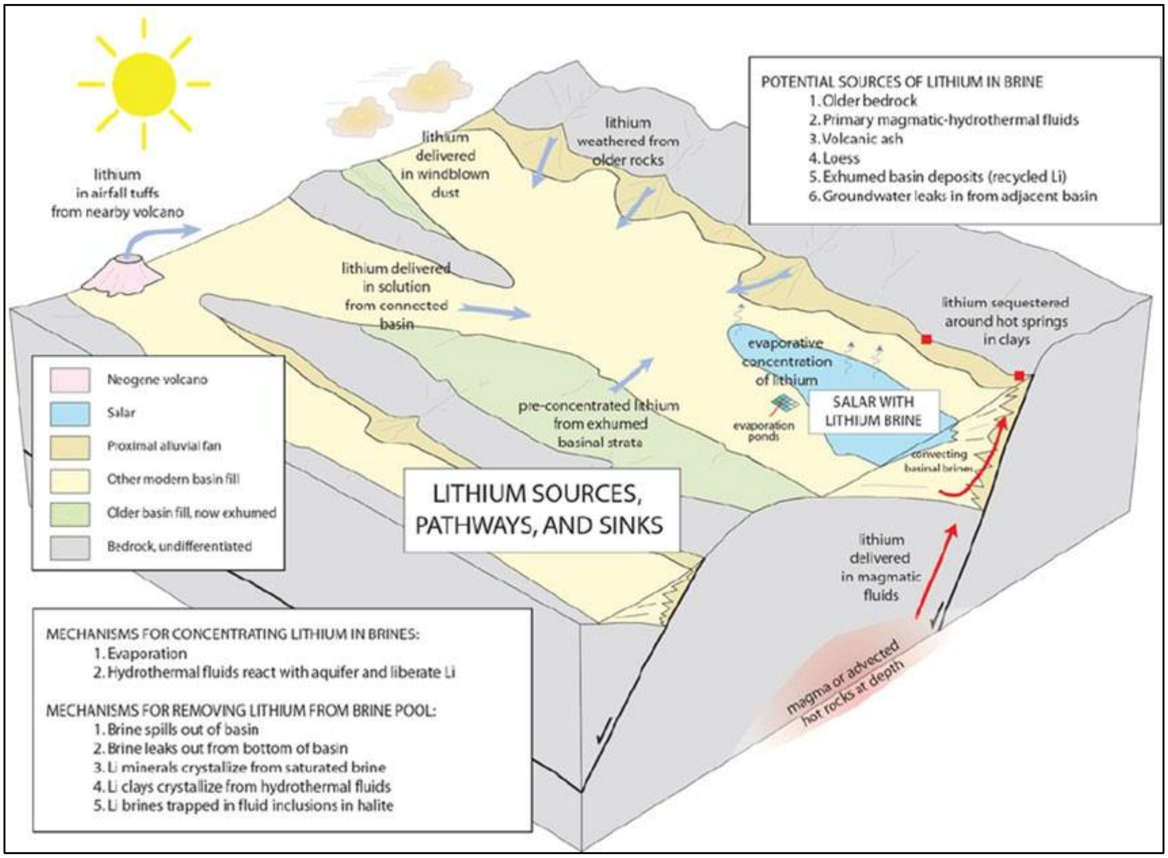

Figure 8.1 Generic model of a salar with an enriched lithium brine (Bradley et al. (2013))

The 2021 exploration program, and future proposed exploration programs are based on the concept that extractable brines are encountered in permeable aquifer materials, such as porous halite, or permeable clastic sediments. Therefore, exploration drilling is aimed at targeting permeable aquifer material. Exploration also tends to target the thickest parts of the sedimentary sequence, where the largest thickness of aquifer material is present. The aquifer tends to increase in thickness toward the centre of the basin. Ultimately, the quantity of brine able to be pumped from the basin will be a function of the thickness and hydraulic conductivity of the aquifer and is independent of the lithium content of the brine.

9 Exploration

9.1 Near-surface brine sampling

David Carabanti and his assistants travelled to the Incahuasi Salar in May 2021, and collected a total of 27 brine samples using a petrol-powered auger. Brine sample locations are shown in Figure 9.1. The sampling team were able to collect 25 one-litre samples, and two 200-litre samples (PA200, and PB200). The auger holes drilled were approximately 400 m apart.

Table 9.1 shows the laboratory results for the surface brine samples collected.

Samples were collected using a bailer, then were put into one litre bottles, labelled, securely taped closed, and put into a secure box for transport to the SGS Argentina. Of the 27 auger holes completed, all had brine at less than 1 m depth. A field duplicate sample (laboratory number 28) was obtained for location PM25. Laboratory samples 42, and 43 were control samples (Table 9.1).

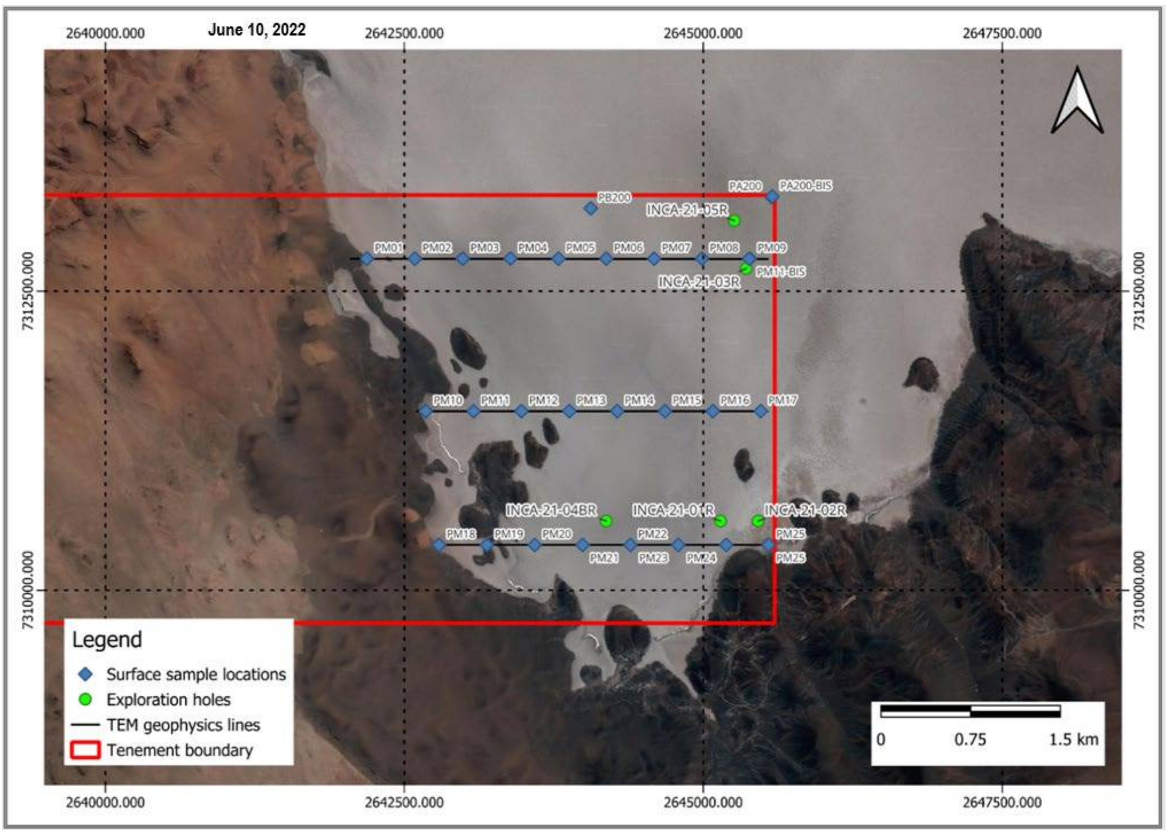

Figure 9.1 Surface brine sampling locations (POSGAR 2007 Argentina 2) (modified after MACL, 2022)

Table 9.1 Laboratory chemical analyses for surface brine sampling program

Sample Laboratory	Sample AIS Field	X (WGS 84 UTM Zone 19S)	Y (WGS 84 UTM Zone 19S)	Li (mg/L)	Mg (mg/L)	TDS (mg/L)
1	PA200	645,515	7,312,396	144.74	4,791.9	339,300
2	PB200	644,001	7,312,303	97.18	3,034.0	332,200
3	PM01	642,131	7,311,883	88	3,682.3	343,500

Sample Laboratory	Sample AIS Field	X (WGS 84 UTM Zone 19S)	Y (WGS 84 UTM Zone 19S)	Li (mg/L)	Mg (mg/L)	TDS (mg/L)
4	PM02	642,531	7,311,883	64.7	1,973.3	351,300
5	PM03	642,931	7,311,883	94.1	3,055.1	348,600
6	PM04	643,331	7,311,883	92.4	2,840.3	344,600
7	PM05	643,731	7,311,883	74.6	2,412.2	347,600
8	PM06	644,131	7,311,883	79.1	2,466.7	346,900
9	PM07	644,531	7,311,883	96.5	3,028.3	346,700
10	PM08	644,931	7,311,883	118.3	4,123.2	353,000
11	PM09	645,331	7,311,883	113.4	4,055.1	354,700
12	PM10	642,622	7,310,608	40.1	1,249.0	284,100
13	PM11	643,022	7,310,608	68.2	2,032.6	347,100
14	PM12	643,422	7,310,608	54.4	1,258.0	351,400
15	PM13	643,822	7,310,608	50.4	1,115.1	345,900
16	PM14	644,222	7,310,608	62.7	1,649.3	340,000
17	PM15	644,622	7,310,608	65.1	1,694.6	343,100
18	PM16	645,022	7,310,608	62	1,569.6	342,700
19	PM17	645,422	7,310,608	70.8	2,286.4	344,600
20	PM18	642,733	7,309,490	25.4	1,048.4	132,900
21	PM19	643,133	7,309,490	45.1	1,142.4	342,900
22	PM20	643,533	7,309,490	46	859.5	337,600
23	PM21	643,933	7,309,490	55.9	1,187.1	338,000
24	PM22	644,333	7,309,490	60.3	1,286.8	341,800
25	PM23	644,733	7,309,490	58.8	1,357.2	341,800
26	PM24	645,133	7,309,490	69.1	1,627.8	340,400
27	PM25	645,488	7,309,491	151.7	4,615.5	348,500
28	PM25	645,488	7,309,491	173.26	4,588.5	322,700
42	***PM11-BIS***	***645,325***	***7,311,881***	***110.32***	***93,143.5***	***350,100***
43	***PA200-BIS***	***645,519***	***7,312,402***	***121.79***	***91,281.9***	***352,400***

Notes: mg/L = milligrams per litre, control samples are bold and italicised.

Iso-concentration maps for lithium and TDS are shown in Figure 9.2, and Figure 9.3. Interrogation of the figures suggests that there is a likely correlation between lithium, and TDS. The lowest values of lithium and TDS occur in the southwest portion of the basin, proximal to the boundary. This area is potentially a fresh water recharge area, and there may be some dilution of brine occurring in this area.

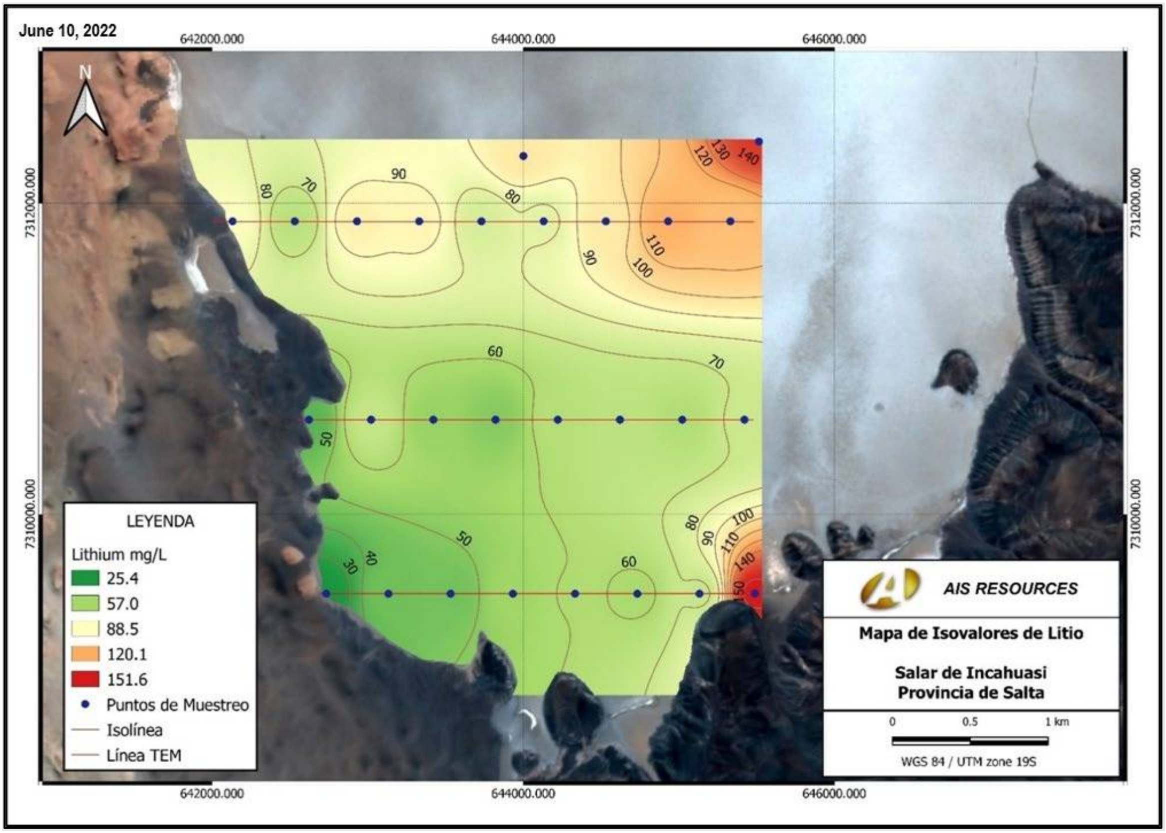

Figure 9.2 Iso-concentration map of near-surface lithium concentration (WGS 84 UTM Zone 19S) (MACL, 2022)

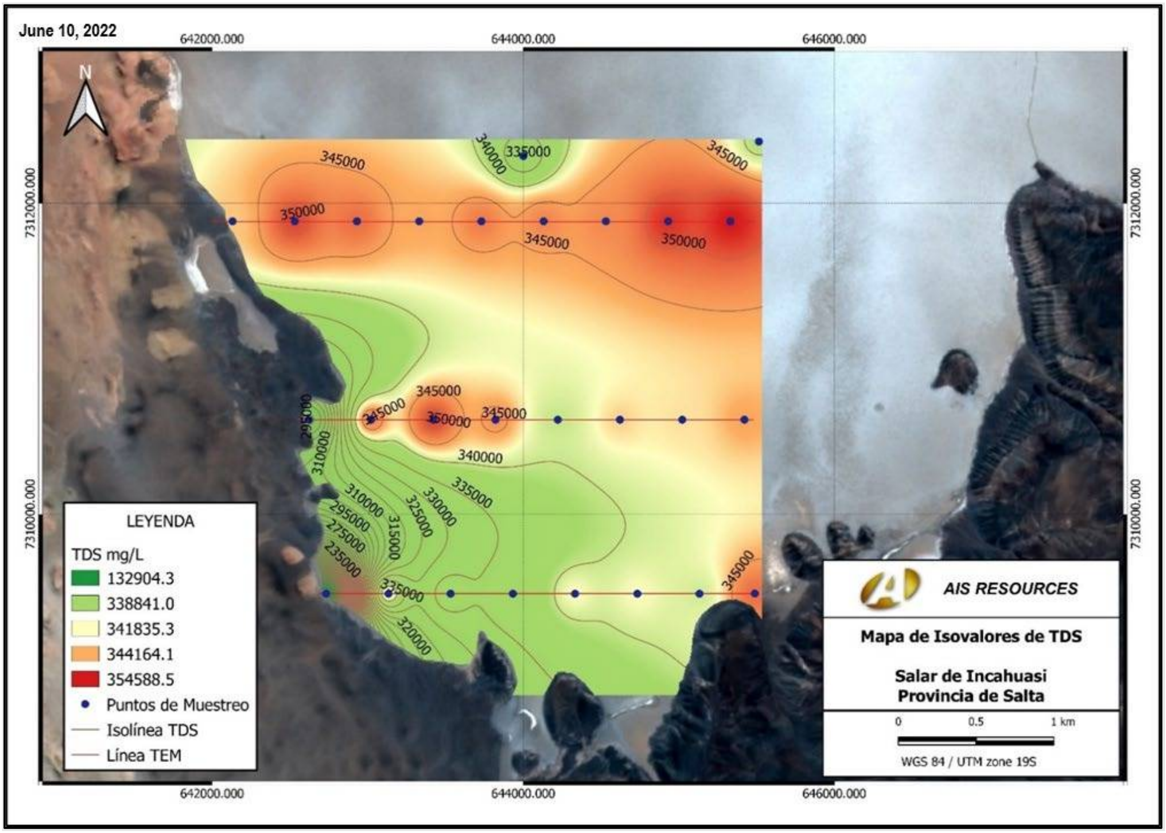

Figure 9.3 Iso-concentration map of near-surface TDS concentration (WGS 84 UTM Zone 19S) (MACL, 2022)

The near-surface brine sampling methods that have been employed at the Project to date are considered by the Qualified Person to be suitable for the style of mineralisation.

Sample quality is also considered by the Qualified Person to be acceptable for Mineral Resource estimation. The samples used for Mineral Resource estimation are considered by the Qualified Person to be representative, and there is no evidence of sample bias.

9.2 TEM survey

In 2021, following receipt of the surface brine sampling results, Quantec was contracted to conduct a TEM survey of the property. A total of 50 soundings were taken along three, east-west oriented lines. The TEM survey line locations are shown in Figure 9.4. The goal of the survey was to identify locations for the drilling of five exploration drill holes. Results from the drill holes are discussed in Section 10.

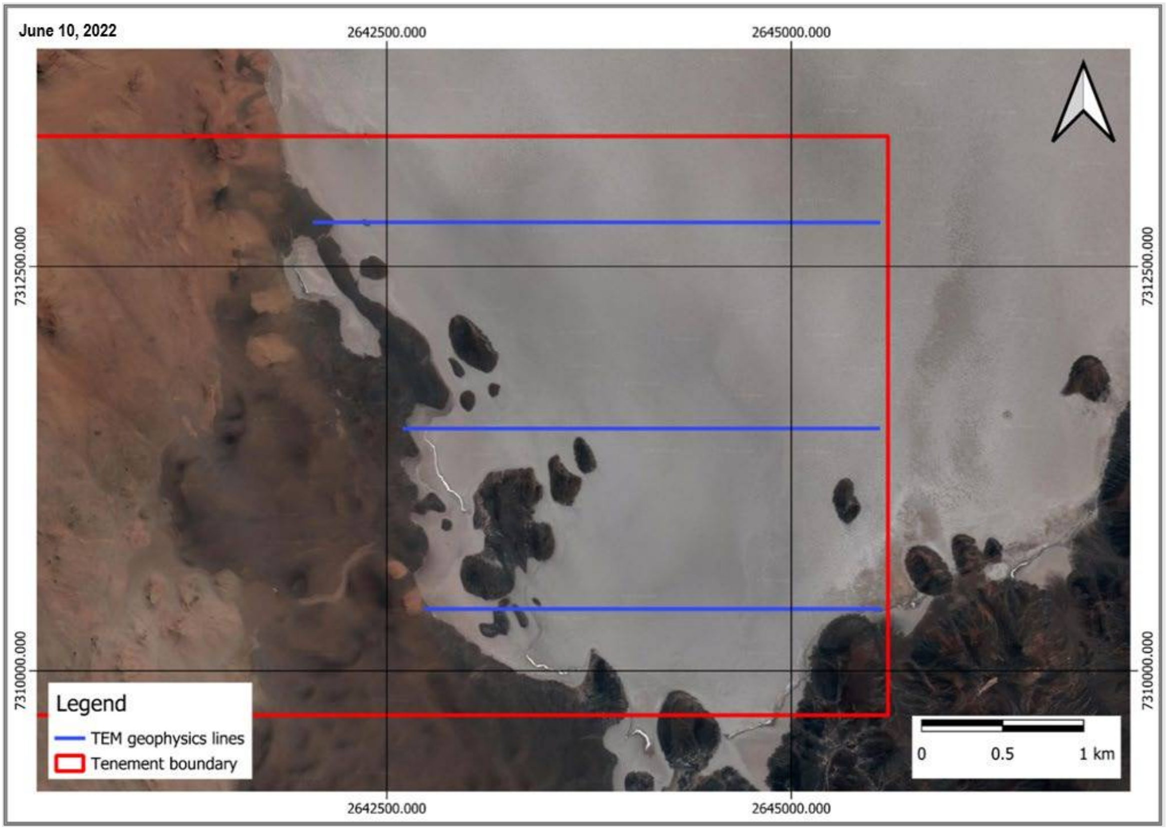

Figure 9.4 TEM survey line locations (POSGAR 2007 Argentina 2) (modified after MACL, 2022)

Interpreted sections for the three TEM survey lines are shown in Figure 9.5, Figure 9.6, and Figure 9.7.

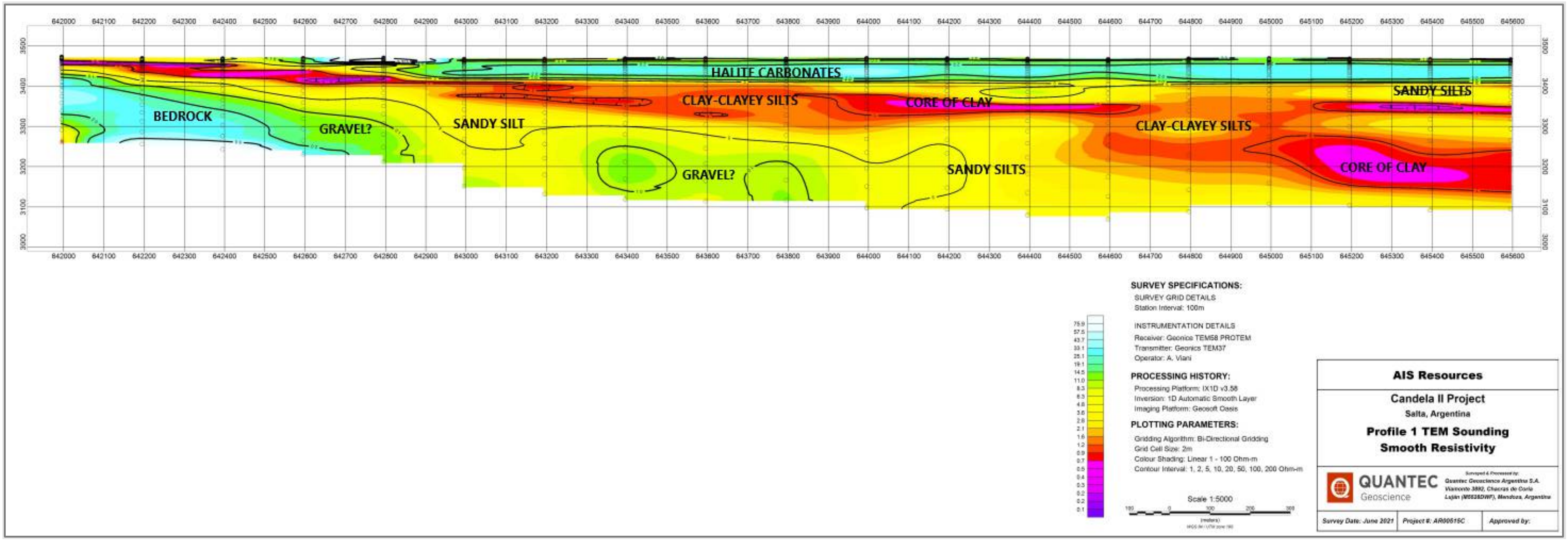

Figure 9.5 TEM profile (looking north) for north line (WGS 84 UTM Zone 19S) (Quantec, 2021)

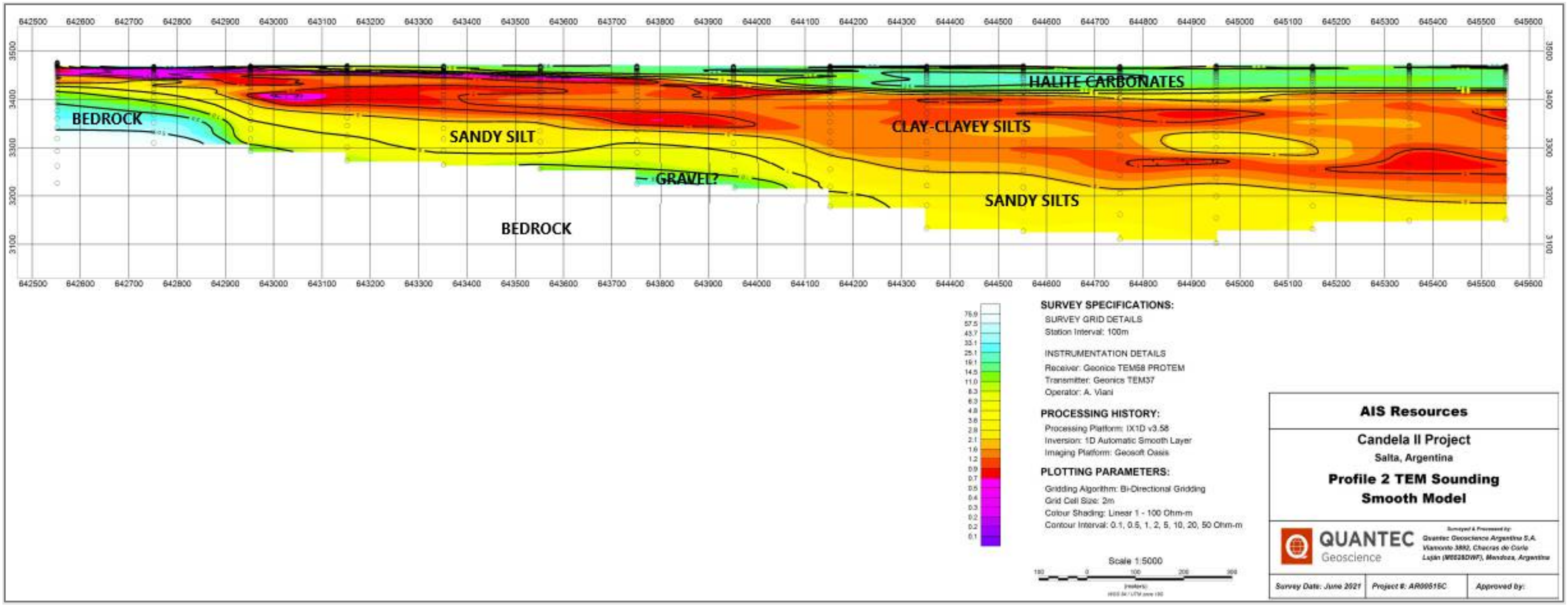

Figure 9.6 TEM profile (looking north) for centre line (WGS 84 UTM Zone 19S) (Quantec, 2021)

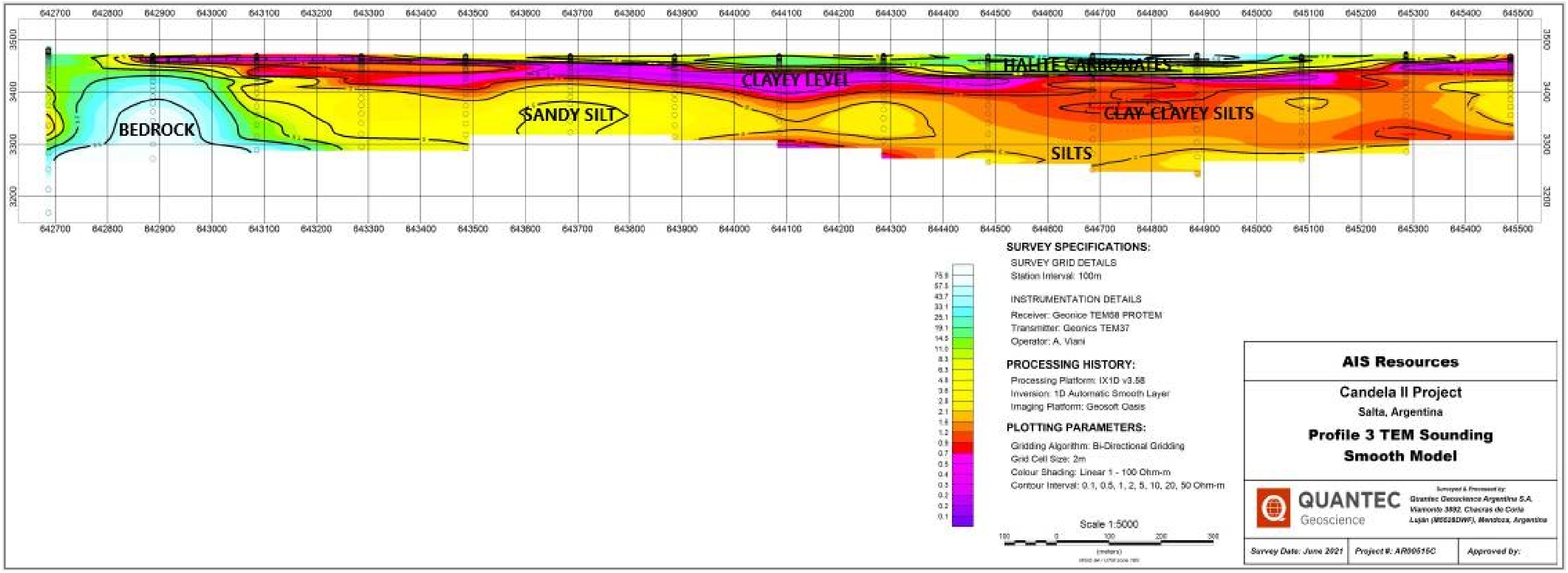

Figure 9.7 TEM profile (looking north) for south line (WGS 84 UTM Zone 19S) (Quantec, 2021)

In general, the three TEM survey lines show an area of green-blue colour near surface, which thickens to the north. This material presents a resistivity range of 11 to 33 Ω·m, and is interpreted as sequences of halite, and carbonates. This interpretation correlates with drilling observations (Sections 10.1 to 10.5).

To the west there is an area of blue colour. This material presents a resistivity above 33 Ω·m. This material is likely part of the granitic basement of the Taca Taca Formation. This interpretation correlates with drilling observations (Sections 10.1 to 10.5).

Stratigraphically deeper, the material appearing as violet to orange in colour is interpreted as sequences of fine material of high porosity, and low permeability, i.e., silt-clay, and silt-sand, with a resistivity of between 0.1 and 2.1 Ω·m. This material has a thickness of approximately 200 m to the east, and is truncated to the west, while from north to south it maintains relatively constant thickness. This interpretation correlates with drilling observations (Sections 10.1 to 10.5).

The yellow-coloured material presents a resistivity range of 2.1 to 8.3 Ω·m. This material is interpreted as a sandy-silt sequence, which has a variable thickness, being most prominent to the north. This interpretation correlates with drilling observations (Sections 10.1 to 10.5).

The green-coloured material observed at depth is interpreted as a coarser-grained basal conglomerate, with potentially high porosity and permeability. This interpretation correlates with drilling observations (Sections 10.1 to 10.5).

Based on the results of exploration work conducted to date, additional exploration activities are justified to better characterise the sub-surface brine within the concession. To date, only the upper part of the aquifer has been drilled and tested. Additional drilling and testing will allow for expansion of the resource laterally, throughout the concession area, and deeper to basement.

Since exploration well INCA-21- 05R was terminated in permeable sediments, it is recommended that three additional diamond cored exploration wells be drilled to a depth of at least 250 mbls, and potentially deeper if favourable aquifer conditions are encountered at this depth. Depth-specific sampling using an inflatable packer system should be conducted at regular intervals to better define the brine chemistry throughout the entire aquifer.

9.3 MT survey

SRG completed three MT survey lines in May 2023. The MT survey line locations are shown in Figure 9.8.

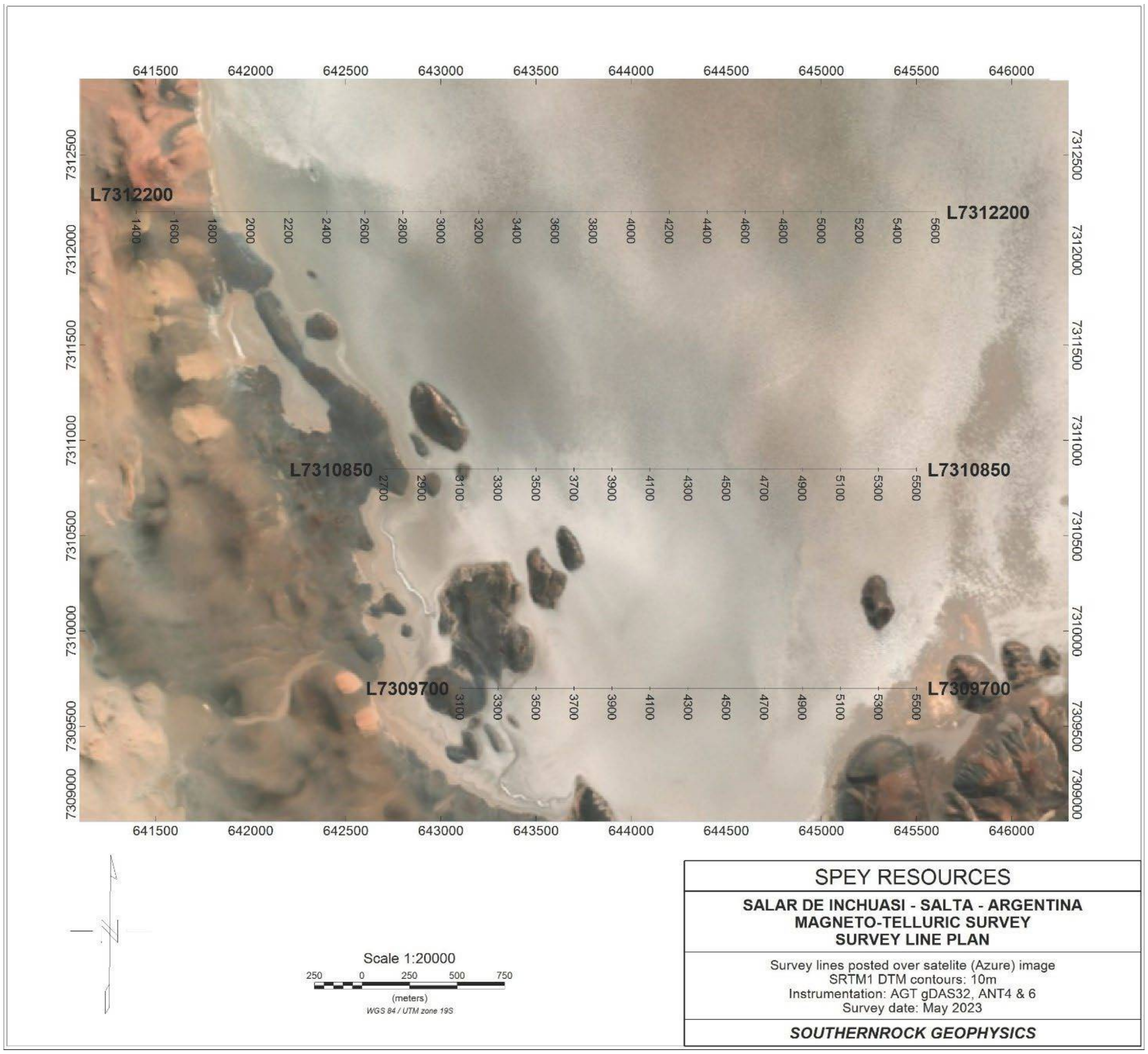

Figure 9.8 MT survey line locations (WGS 84 UTM Zone 19S) (SGR, 2023(a))

The modelled interpretations are shown in Figure 9.9, Figure 9.10, and Figure 9.11.

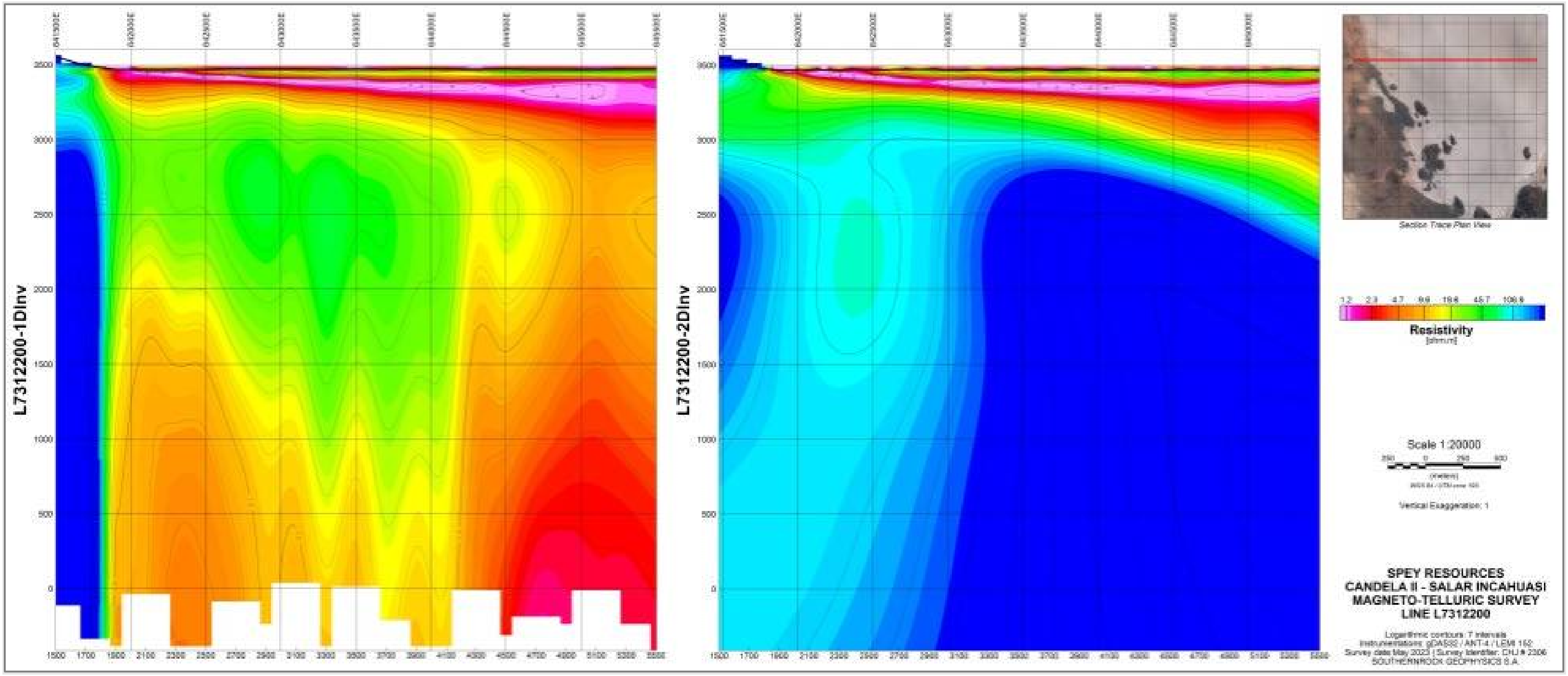

Figure 9.9 MT profile (looking north) for north line (WGS 84 UTM Zone 19S) (SGR, 2023(b))

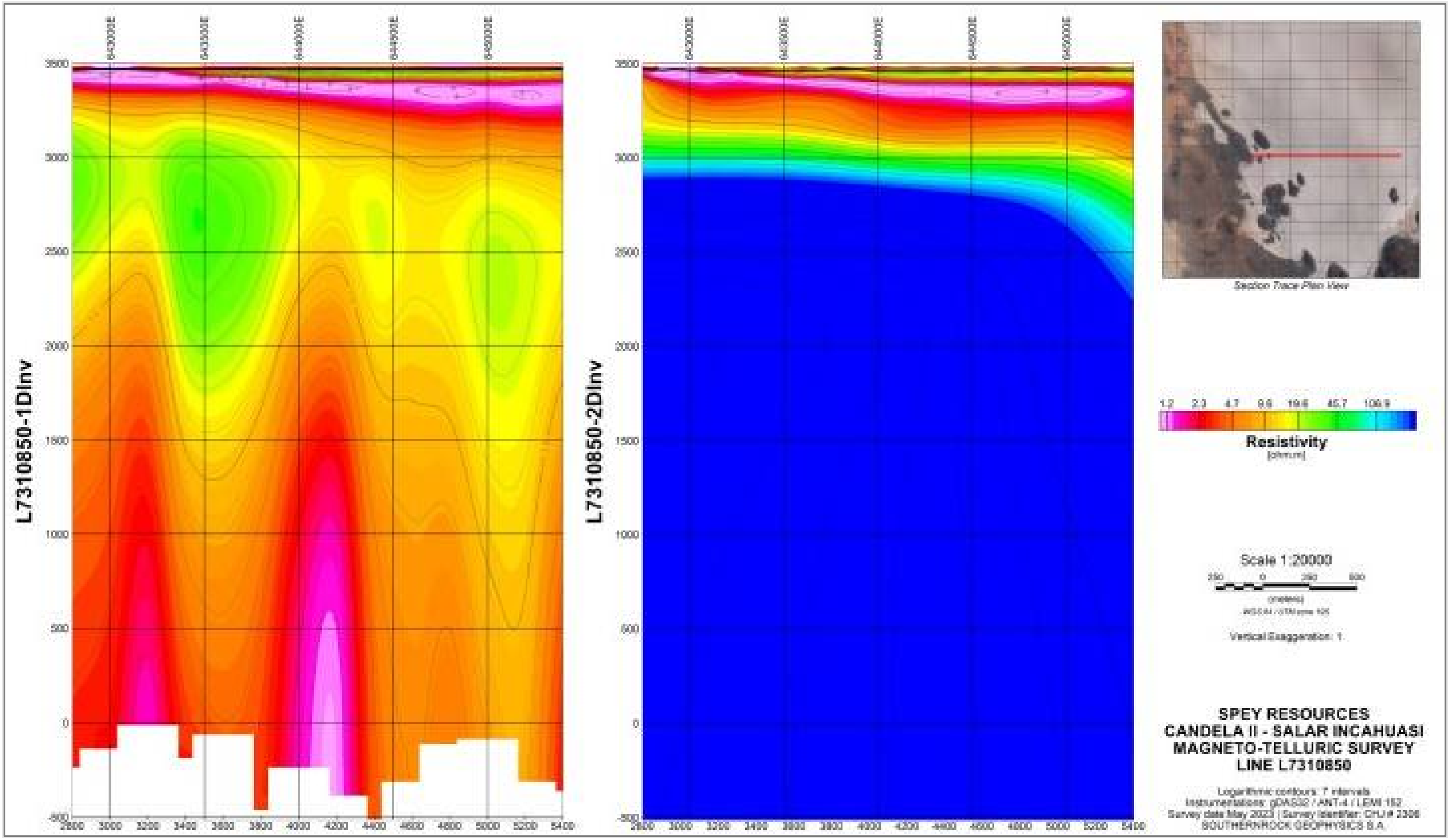

Figure 9.10 MT profile (looking north) for centre line (WGS 84 UTM Zone 19S) (SGR, 2023(c))

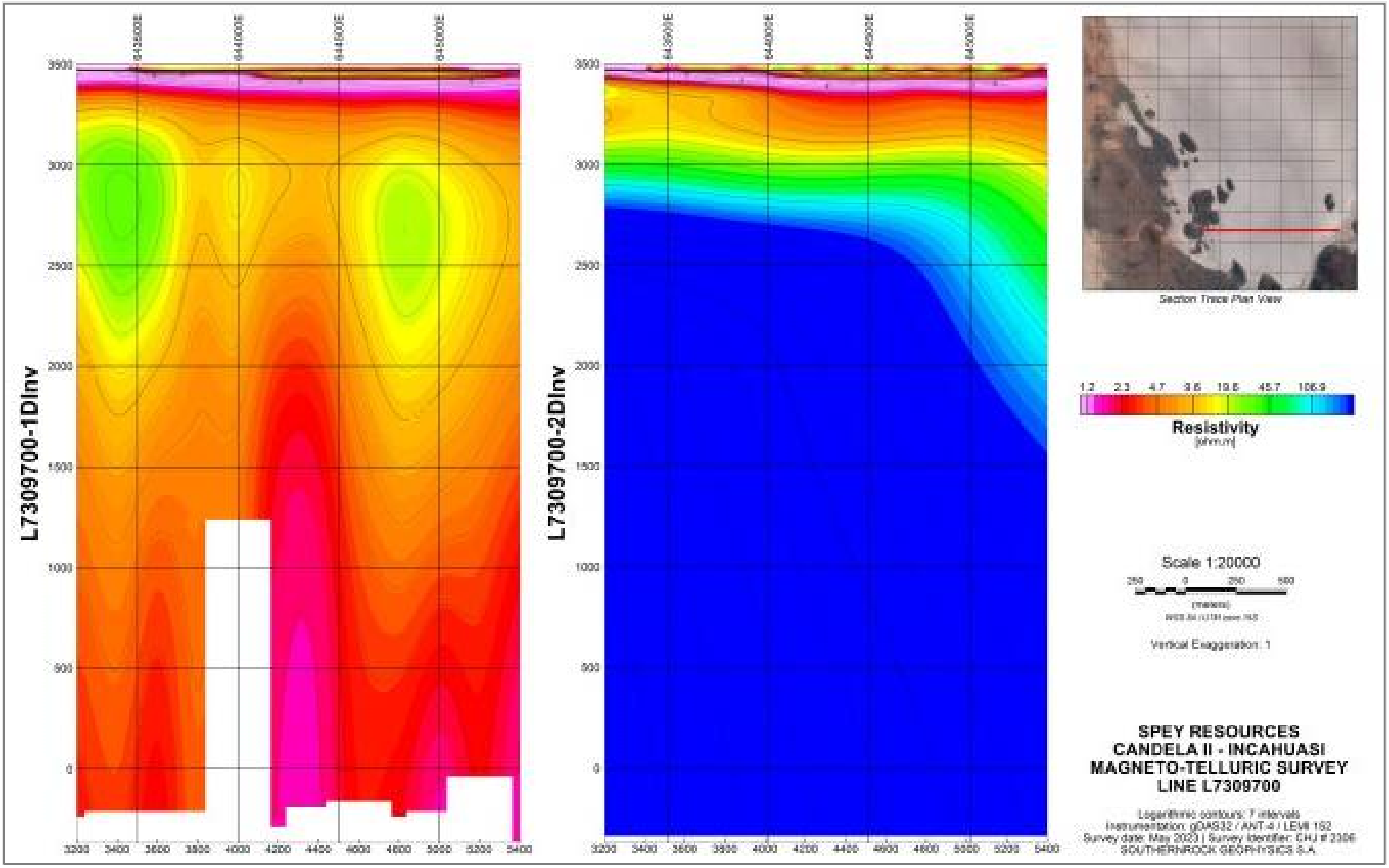

Figure 9.11 MT profile (looking north) for south line (WGS 84 UTM Zone 19S) (SGR, 2023(d))

1D and 2D inversion modelling of the MT data provide a description of the conductive setting in Candela II. Like a TEM survey lines a yellow-green layer with a resistivity range of approximately 14 to 40 Ω·m situated close to the surface and thickening to the north corresponds to the interpreted halite sequence.

The pink unit has a low resistivity of 1.2 Ω·m and is interpreted as the enriched brine contained within the coarser grained clastic units of sand, gravel, and conglomerate. This unit also trends thicker to the north, and deeper to the east (centre of the basin).

9.4 Exploration by others

Several other exploration campaigns have been completed in the basin during the past 14 years on other mining concessions. While not specific to the Project, the results from these campaigns provide valuable information for the Project. Two of these campaigns have been publicly reported and are summarised in the following sections.

Although these campaigns were not conducted within the Project area, it is the experience of the Qualified Person for Mineral Resources that in mature salar basins such as the Incahuasi, large variability in chemistry does not occur, except in areas diluted with fresh water. Other groups operating in the Incahuasi Basin, such as Ganfeng Lithium Co., Ltd. (Ganfeng), have been conducting exploration drilling activities, but they are under no obligation to publicly report results.

9.4.1 Latin American Minerals

In November 2008, LAM, now Sterling reported "*encouraging results were received from the Incahuasi Salt Lake, where 17 brines and 17 crust samples were collected. Incahuasi Salt Lake shows high potassium content in the brines. Lithium concentrations are also encouraging with consistently high values, but the higher magnesium content of these brines suggests the lithium would be more expensive to extract than in the Cauchari Salt Lake.*"

LAM's exploration program consisted of excavating 1-2 m deep holes cutting across the salt lake crust to sample the brine underneath. A total of 64 pits were dug, and 39 of them contained brine. It is worth noting, that the sediment samples collected are not relevant as in general, there is little correlation between lithium in sediments, and lithium in brine within a given basin. Table 9.2 shows the results from selected sediment and shallow brine samples collected and analysed by LAM.

Table 9.2 LAM Incahuasi Salar sampling results

Sample	Sample Type	Potassium (%)	Lithium (ppm)	Boron (ppm)	Magnesium (%)
11865	Crust	0.97	94	109	0.48
11868	Crust	1.19	65	48	0.29
11872	Crust	0.39	62	38	0.27
11863	Crust	0.29	40	38	0.15
11870	Crust	0.18	29	61	0.10
11906	Crust	0.06	20	58	0.10
11923	Brine	0.37	227	92	0.92
11864	Brine	0.53	155	78	0.66
11867	Brine	0.67	148	92	0.59
11871	Brine	0.81	204	93	0.92
11869	Brine	0.86	182	104	0.82
11866	Brine	0.94	239	105	1.33

Notes: ppm = parts per million.

9.4.2 Power Minerals

Power Minerals had proposed three drill holes, and completed surface sampling, and TEM surveying. Table 9.3 shows results from the Power Minerals Incahuasi Salar sampling as reported to its shareholders in 2019.

Figure 9.12 shows a location map of Power Minerals drill holes, wells, and sampling locations.

Table 9.3 Power Minerals reported lithium results for Incahuasi Salar

Brine	Li (%)	Na (%)	K (%)	Ca (%)	Mg (%)	Cl (%)	SO_2 (%)	Borate (%)	Mg:Li
Rincon	0.82	1.94	3.81	< 0.01	2.44	3.78	29.79	3.16	8:1
Incahuasi	0.60	< 0.10	2.17	12.00	2.80	30.00	-	1.10	5:1
Blend – Case 1	2.24	0.09	0.21	8.87	2.28	33.79	0.05	0.34	1.02:1

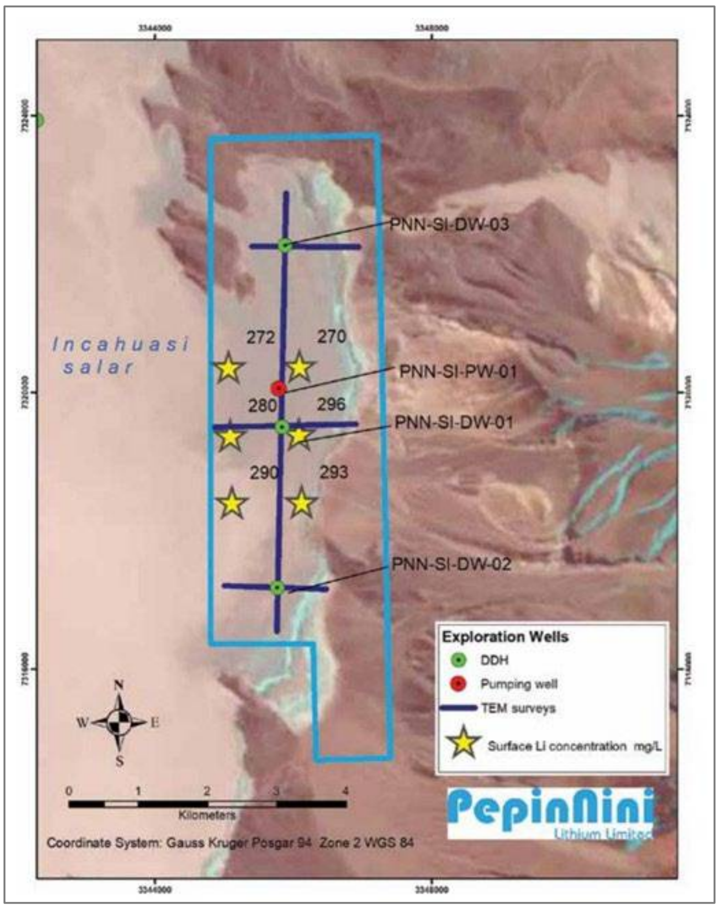

Figure 9.12 PepinNini drill hole locations and surface lithium concentrations (MACL, 2022)

Power Minerals reported 220-296 ppm lithium; this data was taken from an unpublished report compiled by Alonso and Rojas (2011).

9.5 Other exploration

Ganfeng who holds concessions adjacent to the Project, completed a gravity survey in 2020, drilled three exploration holes in 2021, and constructed a production well. These results are not publicly available.

10 Drilling

Drilling activities were conducted within the Project area between 18 September, and 12 December 2021. A total of five exploration wells were drilled, using the conventional circulation mud rotary method. The completed exploration well locations are shown in Figure 10.1.

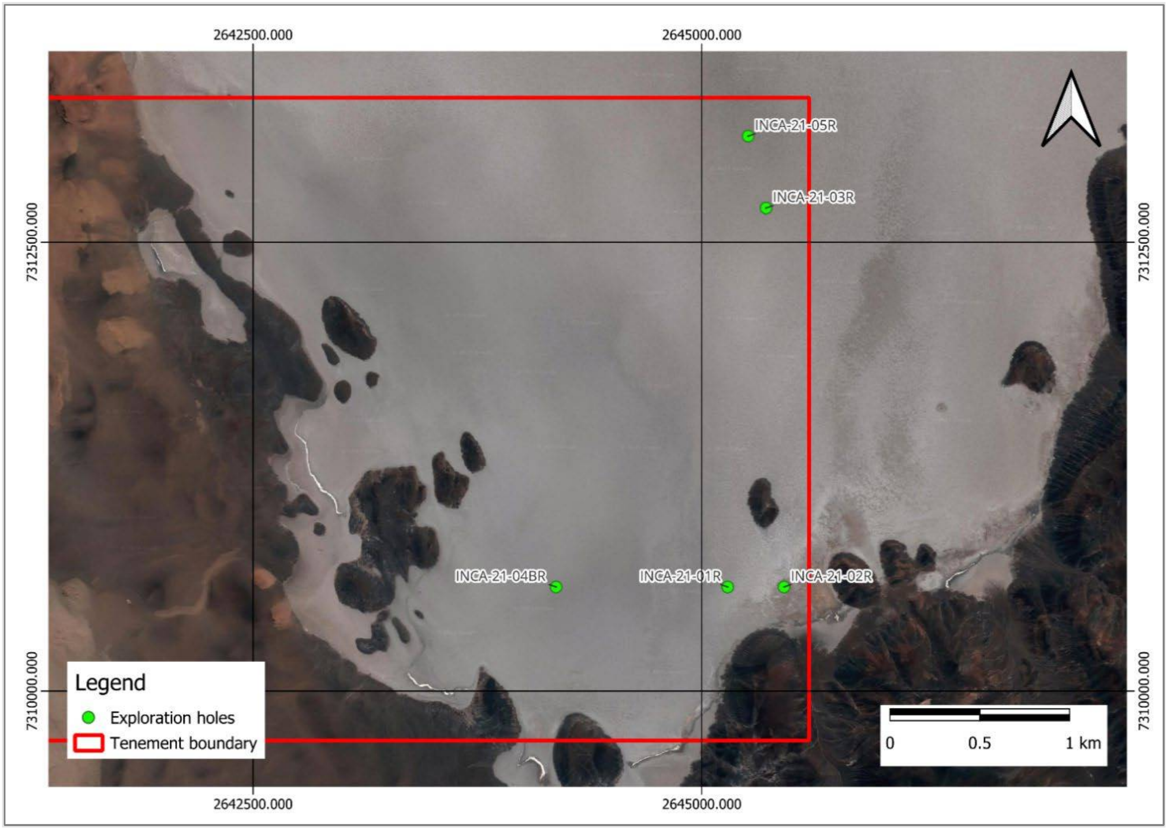

Figure 10.1 Exploration well locations (POSGAR 2007 Argentina 2) (modified after MACL, 2022)

The drilling contractor used for the program was Amaru Mining Services (Amaru), based in Salta, Argentina. The drill rig used was a track-mounted DESCO model SP4500SD. A brine-based, polymer drilling mud was used. Vizcosan, Gettrol, and Poliget fluids were the drilling fluid additives used to condition the exploration wells to prevent collapse.

10.1 Exploration well INCA-21-01R

Drilling activities for exploration well INCA-21-01R commenced on 18 September 2021, reaching a Total Depth (TD) of 52 mbls on 26 September 2021.

Location and depth information is presented in Table 10.1.

Table 10.1 Exploration well INCA-21-01R location and depth

Exploration Well Identifier	**Total Depth (m)**	UTM Easting (m WGS 84)	UTM Northing (m WGS 84)
INCA-21-01R	52	645,086	7,309,690

Notes: UTM Easting, and Northing collected from a handheld portable Global Positioning System (GPS).

A construction schematic diagram for well INCA-21-01R is shown in Figure 10.2.

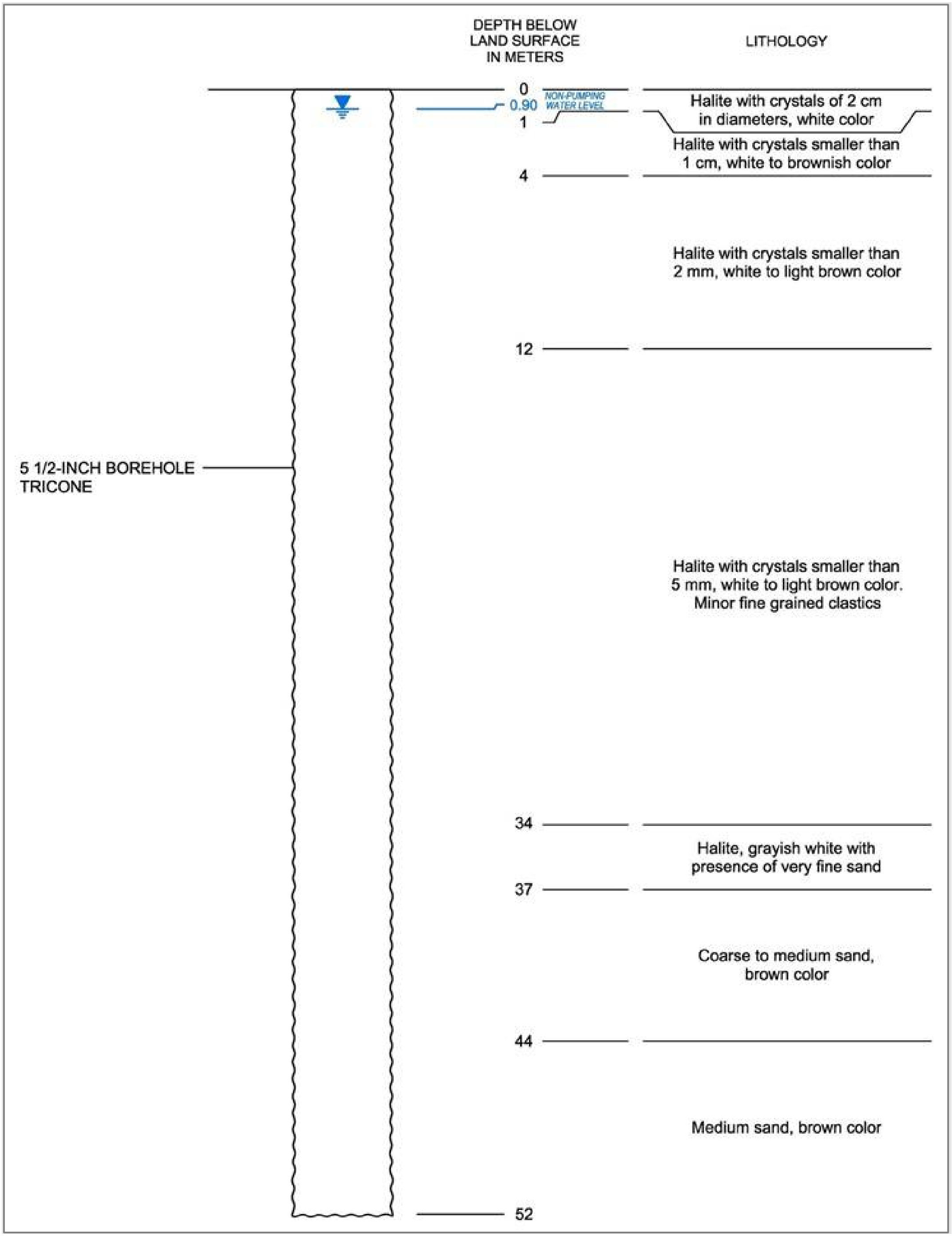

Figure 10.2 Well schematic diagram for exploration well INCA-21-01R (MACL, 2022)

The following represents a brief summary of the equipment, and methods utilised during construction of the well:

- A 5½-inch diameter well was drilled from surface to 52 mbls.
- Unwashed, and washed drill cuttings were collected every metre, and described and stored in labelled cutting boxes.
- Water level was measured after construction (0.9 mbls).
- One brine sample was collected with a packer sampling system between 46 and 50 mbls.

10.2 Exploration well INCA-21-02R

Drilling activities for exploration well INCA-21-02R commenced on 27 September 2021, reaching a TD of 44 mbls on 1 October 2021.

Location and depth information is presented in Table 10.2.

Table 10.2 Exploration well INCA-21-02R location and depth

Exploration Well Identifier	Total Depth (m)	UTM Easting (m WGS 84)	UTM Northing (m WGS 84)
INCA-21-02R	44	645,400	7,309,690

Notes: UTM Easting and Northing collected from a handheld portable GPS.

A construction schematic diagram for well INCA-21-02R is shown in Figure 10.3.

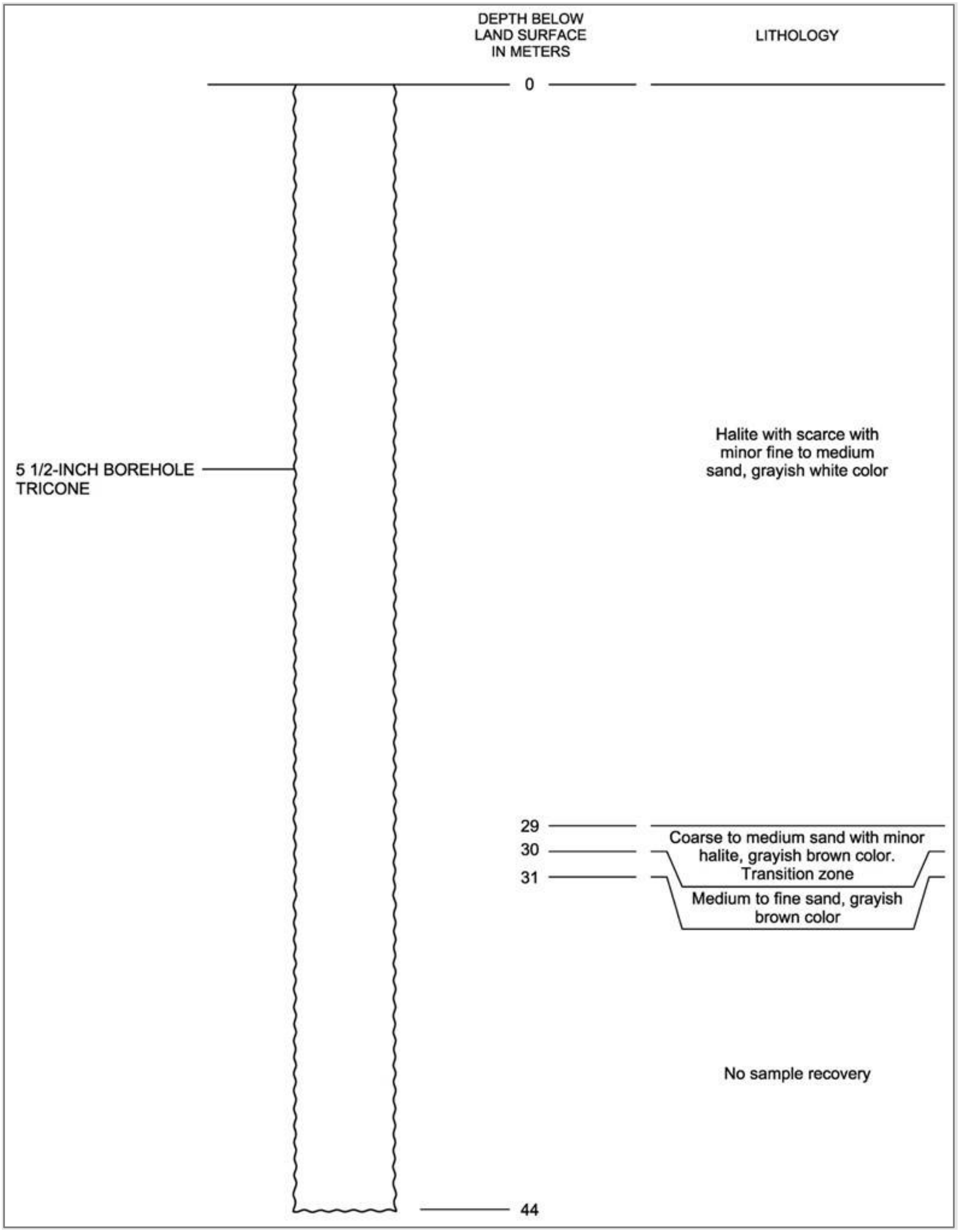

Figure 10.3 Well schematic diagram for exploration well INCA-21-02R (MACL, 2022)

The following represents a brief summary of the equipment, and methods utilised during construction of the well:

- A 5½-inch diameter well was drilled from surface to 44 mbls.
- Once completed to a TD of 44 mbls, the well could not be constructed with 2-inch Polyvinyl Chloride (PVC) casing, as drilling rods were stuck in the well.
- Unwashed, and washed drill cuttings were collected every metre to a depth of 31 mbls due to difficulties during drilling procedures, and a lack of cuttings return.
- One brine sample was collected with a bailer between 28 and 29 mbls.

10.3 Exploration well INCA-21-03R

Drilling activities for exploration well INCA-21-03R commenced on 5 October 2021, reaching a TD of 70 mbls on 29 October 2021.

Location and depth information is presented in Table 10.3.

Table 10.3 Exploration well INCA-21-03R location and depth

Exploration Well Identifier	Total Depth (m)	UTM Easting (m WGS 84)	UTM Northing (m WGS 84)
INCA-21-03R	70	645,300	7,311,800

Notes: UTM Easting, and Northing collected from a handheld portable GPS.

A construction schematic diagram for well INCA-21-03R is shown in Figure 10.4.

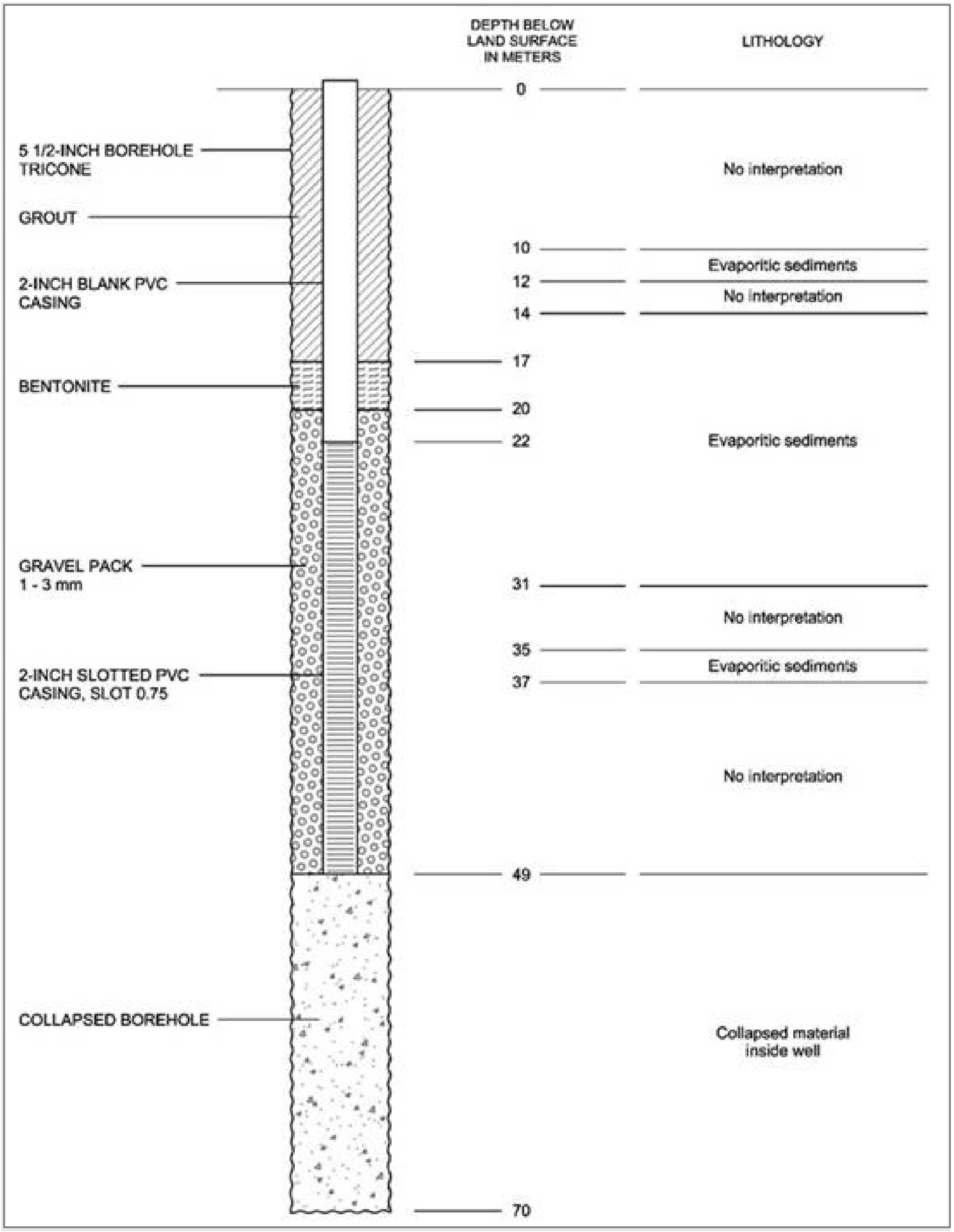

Figure 10.4 Well schematic diagram for exploration well INCA-21-03R (MACL, 2022)

The following represents a brief summary of the equipment, and methods utilised during construction of the well:

- A 5½-inch diameter well was drilled from surface to 70 mbls. Once drilled to TD, the well was constructed with 2-inch diameter PVC casing (1 mm slot) from 22 to 50 mbls.
- Blank 2-inch diameter PVC casing was installed from surface to 22 mbls.
- Unwashed, and washed drill cuttings were collected every metre, and described and stored in labelled cutting boxes.
- Gravel pack (2 to 4 mm) was installed in the annular space surrounding the well screen, from TD to 20 mbls.
- Bentonite was installed in the annular space overlying the gravel pack from 20 to 17 mbls.
- From surface to 17 mbls was filled with grout.
- One brine sample was collected with a packer sampling system between 46.5 and 50 mbls.

10.4 Exploration well INCA-21-04BR

Drilling activities for exploration well INCA-21-04R commenced on 1 November 2021, reaching a TD of 60 mbls. Due to well collapse, and caving conditions encountered between 27 and 30 mbls, a second exploration well named INCA-21-04BR was drilled nearby. INCA-21-04BR reached a TD of 70 mbls on 12 November 2021.

Location and depth information is presented in Table 10.4.

Table 10.4 Location and depth for exploration well INCA-21-04BR

Exploration Well Identifier	Total Depth (m)	UTM Easting (m WGS 84)	UTM Northing (m WGS 84)
INCA-21-04BR	70	644,130	7,309,690

Notes: UTM Easting, and Northing collected from a handheld portable GPS.

A construction schematic diagram for well INCA-21-04BR is shown in Figure 10.5.

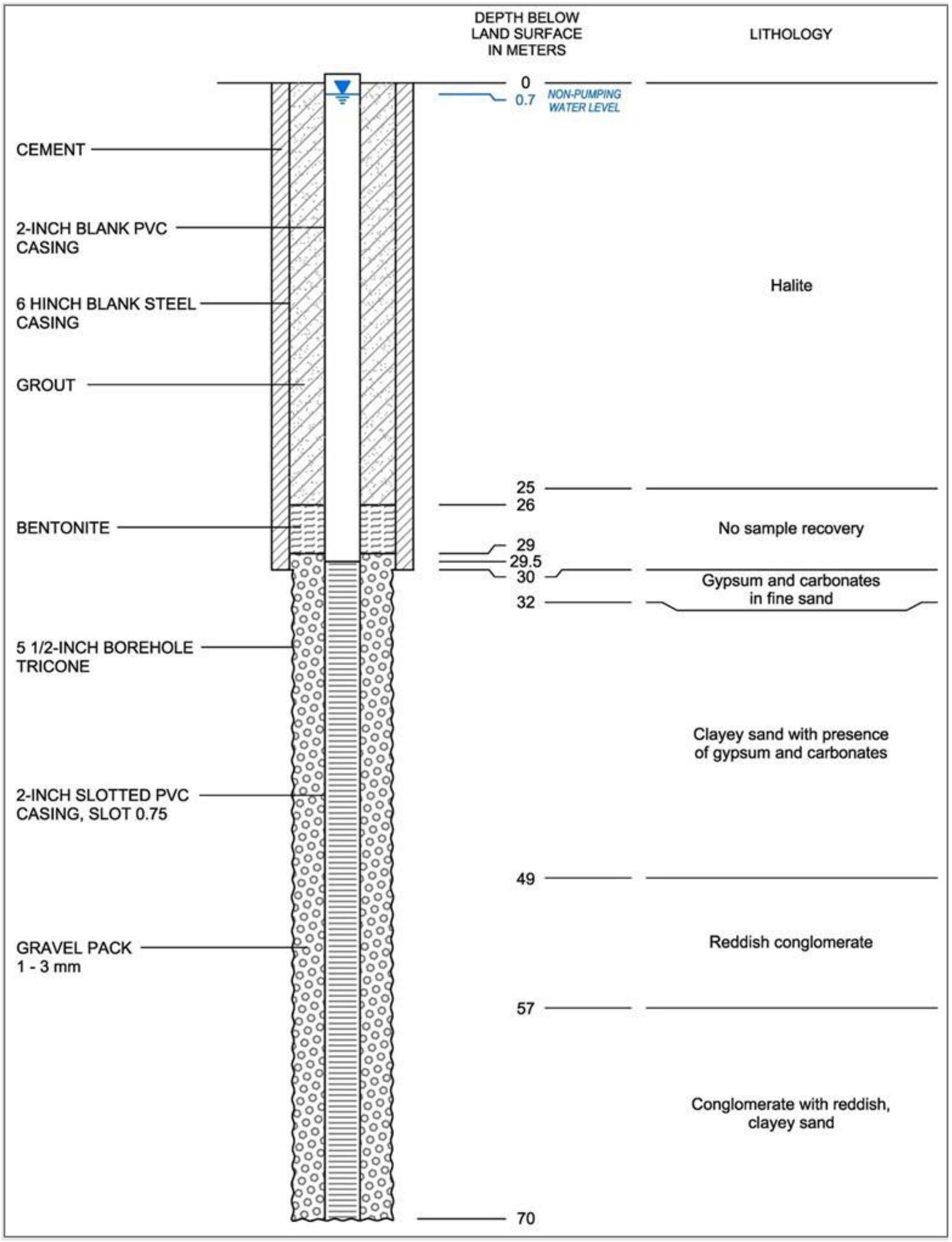

Figure 10.5 Well schematic diagram for exploration well INCA-21-04BR (MACL, 2022)

The following represents a brief summary of the equipment and methods utilised during construction of the well:

- A 5½-inch diameter well was drilled from surface to 70 mbls.
- Once drilled to TD, the well was constructed with 2-inch PVC casing (1 mm slot) from 30 to 70 mbls.
- Blank 2-inch diameter PVC casing was installed from surface to 30 mbls.
- 6-inch diameter blank steel casing was installed from surface to 30 mbls.
- Unwashed, and washed drill cuttings were collected every metre, and described and stored in labelled cutting boxes.
- Gravel pack (2 to 4 mm) was installed in the annular space from bottom to 28 mbls.
- The annular space was filled with bentonite from 28 to 26 mbls, and with grout from 26 mbls to surface.
- Depth to water level was measured at 0.7 mbls.
- Two depth-specific brine samples were collected, One at 46-50 mbls, and the other at 26-29 mbls.

10.5 Exploration well INCA-21-05R

Drilling activities for exploration well INCA-21-05R commenced in November 2021, reaching a TD of 209 mbls on 12 December 2021.

Location and depth information is presented in Figure 10.6.

Table 10.5 Location and depth for exploration well INCA-21-05R

Exploration Well Identifier	Total Depth (m)	UTM Easting (m WGS 84)	UTM Northing (m WGS 84)
INCA-21-05R	209	645,200	7,312,200

Notes: UTM Easting, and Northing collected from a handheld portable GPS.

Construction schematic for well INCA-21-05R is shown on Figure 10.6.

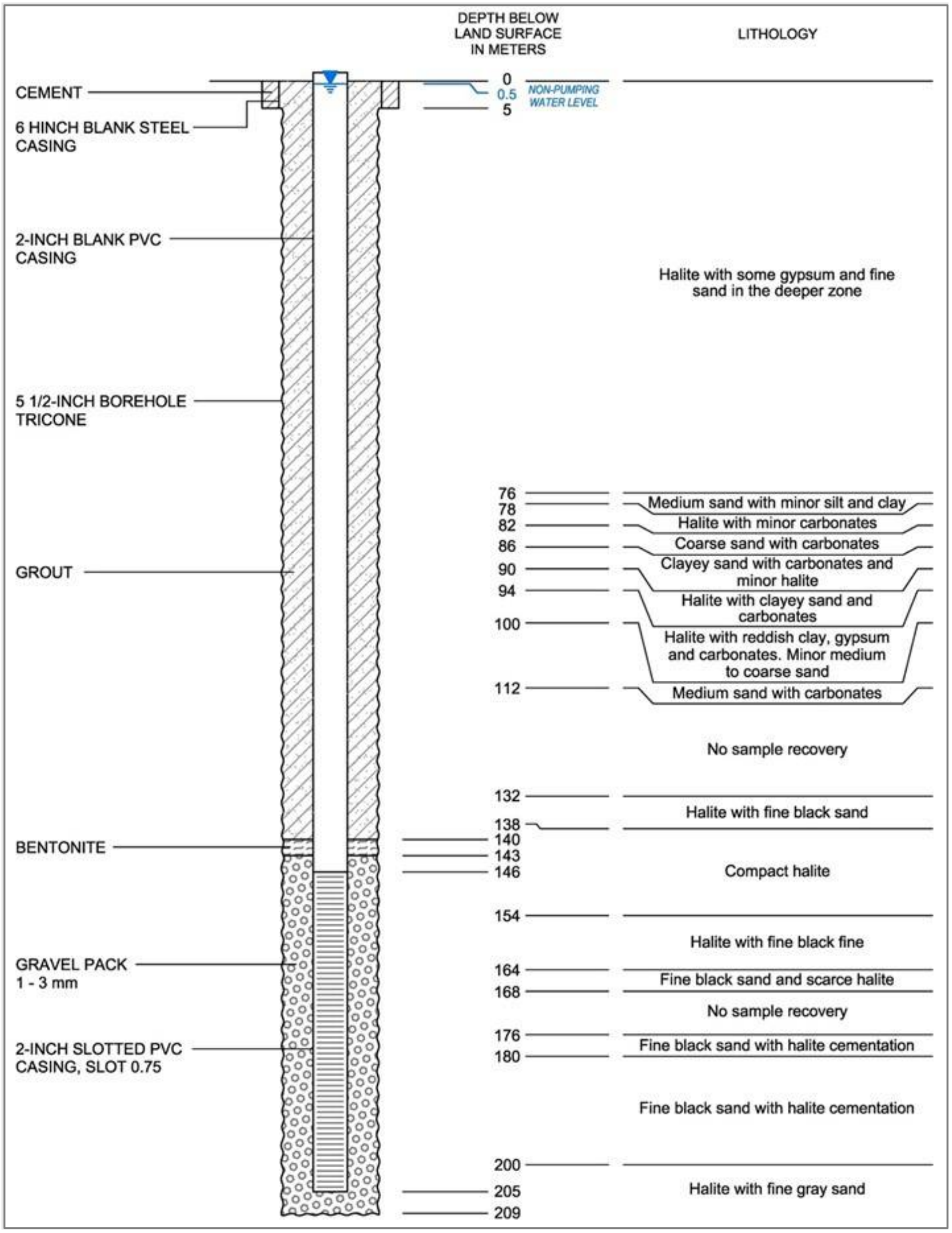

Figure 10.6 Well schematic diagram for exploration well INCA-21-05R (MACL, 2022)

The following represents a brief summary of the equipment, and methods utilised during construction of the well:

- A 5½-inch diameter well was drilled from surface to 209 mbls.
- Once drilled to TD, the well was constructed with 2-inch PVC casing (1 mm slot) from 146 to 205.3 mbls. Blank 2-inch PVC casing was installed from surface to 146 mbls.
- Blank 6-inch steel casing was installed from surface to 6 mbls.
- Unwashed, and washed drill cuttings were collected every metre, and described and stored in labelled cutting boxes.
- Gravel pack (2 to 4 mm diameter) was installed in the annular space from bottom to 144 mbls.
- The annular space was filled with bentonite from 144 to 140 mbls, and grout from 140 mbls to surface.
- Depth to water level was measured at 0.5 mbls.
- Five brine samples were collected. Four between 46 and 200 mbls with a packer sampler system, and one via airlifting between 150 and 205.3 mbls.

Figure 10.7 presents a comparison of exploration wells INCA-21-03R, INCA-21-04BR, and INCA-21-05R.

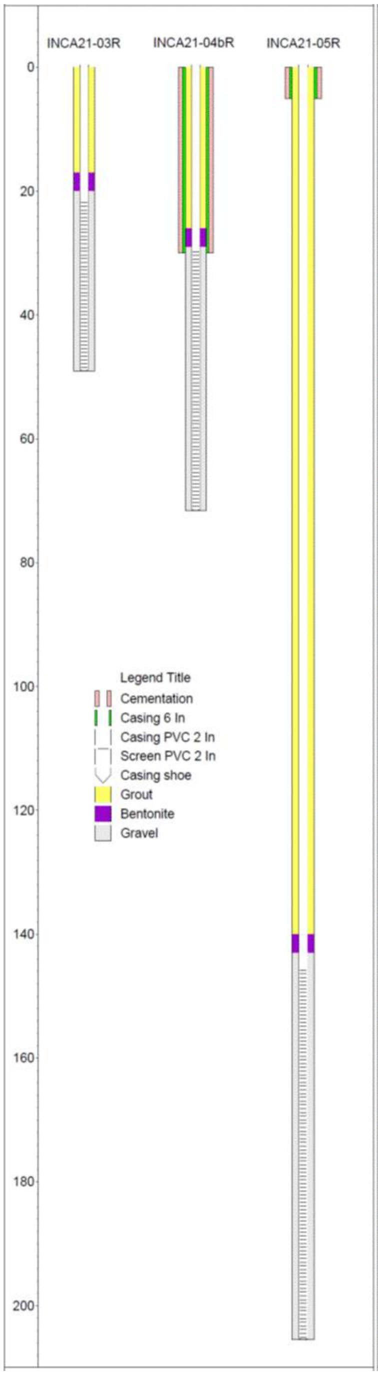

Figure 10.7 Comparison of exploration wells INCA-21-03R, INCA-21-04BR, and INCA-21-05R (MACL, 2022)

10.6 Summary of sampling during drilling

During drilling, chip and brine samples were collected from the cyclone at 1 m intervals, using a packer system which isolated specific zones of the aquifer. Occasionally, lost circulation resulted in the inability to collect samples from some intervals. Brine samples obtained during exploration drilling are summarised in Table 10.6.

Table 10.6 Summary of depth and field parameters for brine samples obtained during drilling

Sample No	Well No	From (m)	To (m)	Interval (m)	Density (g/cm^3)	Conductivity (mS/cm)	pH	Temp (ºC)	Observation
30	INCA-21-01R	46	50	4	1.215	199.9	6.2	15.00	Sample taken with packer
31	INCA-21-02R	28	29	1	1.210	208.7	6.54	16.00	Well collapsed – sampled with bailer
32	INCA-21-03R	46.5	50	3.5	1.214	198.4	6.24	14.90	Sample taken with packer
33	INCA-21-04R	46	50	4	1.214	213.2	7.44	13.00	Sample taken with packer
34	INCA-21-04BR	26	29	3	1.210	201.1	5.92	15.90	Sample taken with packer
35	INCA-21-05R	46	50	4	1.211	200.9	7.41	16.88	Sample taken with packer
36	INCA-21-05R	96	100	4	1.214	213.2	6.60	19.80	Sample taken with packer
37	INCA-21-05R	146	150	4	1.213	203.1	6.48	18.86	Sample taken with packer
38	INCA-21-05R	196	200	4	1.213	201.1	7.35	16.35	Sample taken with packer
39	INCA-21-05R	150	205.3	55.3	1.211	245	6.3	20	Air pumping test sample in a finished well, corresponding to the area with PVC slotted pipes (filters) after 6 hours
40	INCA-21-03R	31	48.85	17.85	1.2	249	6.2	20	Air pumping test sample in a finished well, corresponding to the area with PVC slotted pipes (filters) after 6 hours
41	INCA-21-04RB	30	70	40	1.2106	247	6	20	Air pumping test sample in a finished well, corresponding to the area with PVC slotted pipes (filters) after 6 hours

Notes: Depths and intervals are in metres; density in g/cm^3; conductivity in milliSiemens/cm.

Table 10.7 Laboratory analytical results for brine samples obtained during drilling

Sample No	Well No	From (m)	To (m)	Interval (m)	B (mg/L)	Ca (mg/L)	Sr (mg/L)	Li (mg/L)	Mg (mg/L)	K (mg/L)	Na (mg/L)	Mg/Li	K/Li
30	INCA-21-01R	46	50	4	65.06	5927.39	113.14	**111.81**	5917.7	6520.7	106,096.8	52.93	58.32
31	INCA-21-02R	28	29	1	51.76	4107.41	75.63	**75.72**	3531.5	4188.4	112,829.9	46.64	55.31
32	INCA-21-03R	46.5	50	3.5	64.93	6274.83	127.39	**113.79**	5987.4	5616.4	108,842.9	52.62	49.36
33	INCA-21-04R	46	50	4	68.18	6327.07	121.93	**117.55**	5909.4	5982.3	107,331	50.27	50.89
34	INCA-21-04BR	26	29	3	56.11	7168.47	113.97	**120**	6136.78	4984.08	106,839.2	51.14	41.53
35	INCA-21-05R	46	50	4	64.27	8127.91	155.78	**145.9**	6339.03	6224.86	103,479.1	43.45	42.67
36	INCA-21-05R	96	100	4	69.2	9814.67	169.78	**158.1**	7571.13	6650.66	104,733.4	47.89	42.07
37	INCA-21-05R	146	150	4	65.02	8034.97	154.3	**128.31**	5744.85	5384.60	97,350.405	44.77	41.97
38	INCA-21-05R	196	200	4	66.39	9073.02	181.9	**156.89**	6881.3	6232.05	94,350.7	43.86	39.72
39	INCA-21-05R	150	205.3	55.3	98.18	11168.2	183.06	**154.1**	8053.8	6933.3	93,193.3	52.26	44.99
40	INCA-21-03R	31	48.85	17.85	86.21	8015.6	147.99	**135.44**	6270.8	5415.89	99,388.9	46.30	39.99
41	INCA-21-04RB	30	70	40	97.82	9667.6	169.6	**161.51**	7845.8	6553.82	96,253	48.58	40.58

Notes: Depths and intervals are in metres, concentrations in mg/L, Mg/Li and K/Li are ratios, Lithium column is bolded for emphasis.

A total of nine brine samples were collected from the exploration wells and submitted to SGS Argentina for chemical analyses. Three samples were obtained via airlift in completed wells. For each brine sample, field measurements were conducted on a regular basis for electrical conductivity, pH, and temperature. Sample collection, preparation, and analytical methods are described in Section 11. Daily static water level measurements were conducted inside the drill string at the start of each drilling shift, using a water level tape. Exploration wells were completed with steel surface casing, and a surface sanitary cement seal.

Inspection of results support the concept that the deeper brine contains a larger lithium content than the brine located in the upper part of the aquifer. The smallest lithium concentration for the samples occurs in those samples obtained above about 50 mbls. This is likely due to fresh water with a lower lithium content, and lower density entering the basin and mixing with the older brine located in the upper part of the aquifer.

10.7 Summary of sampling and/or recovery factors that could affect results

For those brine samples obtained during drilling, the main factor that could impact results is if the packer did not adequately seal off other aquifer zones during the sampling process. An inadequate seal could allow for brine from different zones above the packer to leak into the interval being sampled. Because slightly lower lithium concentration brine is located in the upper part of the aquifer, errors of this type would most likely result in “lower than actual” lithium concentrations, as opposed to overestimated lithium concentrations. That said, packer inflation was not noted as being a problem during sampling and is therefore not believed to be an area of concern.

11 Sample preparation, analyses, and security

11.1 Sample preparation methods and quality control measures employed

Sampling of brine for the 2021 exploration programs occurred during shallow auger sampling, during drilling and testing, and after the programs were completed in the form of due diligence sampling by Michael J. Rosko (Vice President, and Principal Hydrogeologist, Montgomery & Associates, Inc. [Montgomery]).

The following is a general summary of the sampling methods employed during each phase of sampling. Sampling methods, and Quality Control (QC) measures were similar during each phase.

In May 2021, David Carabanti and his assistant initially sampled near-surface brine from auger holes using an immersed bottle lifting system.

Figure 11.1 presents a photo of the auger drilling process.

Figure 11.1 David Carabanti using a power auger to drill for brine samples (MACL, 2022)

Figure 11.2 presents a photo of a completed sampling location, and sample bottles. Samples were assayed for a range of elements including Li, Mg, K, Ca, SO_4, B, as well as alkalinity, TDS, density, electrical conductivity, and pH. Samples were typically obtained at 2 mbls.

Figure 11.2 Location peg and labelled sample bottles (MACL, 2022)

During, and after drilling of the exploration wells, brine samples were collected using bailer, packer, and drive point methods. In addition, once drilling was completed, using low flow sampling equipment inside the 2-inch diameter PVC slotted casing installed in exploration wells 3, 4 and 5 (INCA-21-03R, INCA-21-04BR, and INCA-21-05R). Prior to bottling, samples were transferred to a bucket, which had been rinsed with the same brine as the sample.

Sample bottles were rinsed with the brine, and then filled to the top, removing any airspace, and capped. Sample bottles were labelled with the exploration well number, and sample depth with a permanent marker pens, and labels were covered with transparent packaging tape, to prevent labels being smudged or removed. When necessary, fine sediment was allowed to settle in the bucket before the brine sample was transferred from the bucket to two one litre plastic sample bottles. Two sample bottles were collected from each exploration well (main sample, and duplicate sample). Sample bottles were labelled with the exploration well number, sample or duplicate number, and collection date. Labels were protected by transparent packaging tape. Field measurements of pH, density, electrical conductivity, temperature, and TDS were collected. All field data were recorded in a notebook and transcribed to the electronic database maintained by David Carabanti.

Brine samples remained in the possession of the David Carabanti until delivered to SGS Argentina. No other sample preparation was conducted prior to shipment to the laboratory. SGS Argentina is ISO 17025, and 9001 certified, and in no way affiliated with Spey.

11.2 Information for sample locations

At each sampling location, the position co-ordinates were collected using a hand-held GPS, logged, and checked by the assistant geologist. The following is an example of the information recorded at each sampling location.

- Sample Location – PM09.
- Co-ordinates: X = 645,331/Y = 7,311,883.
- Geomorphology: Earthy saline crust. Rough surface. Saline and detrital content. Without polygon development.
- Water table: 0.55 mbls.
- Depth of Auger Hole: 1.98 mbls.
- 0.00 m – 0.30 mbls: Sand with halite crystals.
- 0.30 m – 0.60 mbls: Silty sand.
- 0.60 m – 0.96 mbls: Sand with halite layers; high silt content.
- 0.96 m – 1.98 mbls: Halite.

11.3 Brine chemistry laboratory procedures and analyses

Brine samples were analysed by SGS Argentina. SGS Argentina is an independent commercial laboratory, has significant experience in assaying lithium brines, and is certified to ISO 17025 for lithium brine assays. Figure 11.3 presents an example of the laboratory analytical reports provided for each sample.

SGS

Laboratorio Salta
Av. Moseñor Tavella 2580
Salta - Capital - CP: 4400
Tel: (54)-(9387)-5985769

INFORME DE ENSAYO
SA21-00066

Salta, 2 de junio de 2021 — Página 2 de 4

Identificación SGS: SA21-00066.0001 — **Producto:** Salmuera de Litio
Identificación Cliente: SALMUERA 0001 — **Recibido:** 28/05/2021 — **Muestreo:** -

Análisis	Método	LD	LC	Resultado	Unidad
Densidad a 20°C	ASTM D7777-13(Reapproved 2018)e1	-	-	1.204	G/ML
Densidad a 20°C	ASTM D7777-13(Reapproved 2018)e1	-	-	1204	kg/m3
Alcalinidad	Basado en SM 2320 B - 23rd Edition	-	1	45.2	mg CaCO3/l
Bicarbonatos	Basado en SM 2320B - 23rd Edition	-	1	45	mg CaCO3/l
Carbonatos	Basado en SM 2320B - 23rd Edition	-	1	<1	mg CaCO3/l
Cloruros	Basado en SM 4500Cl-D - 23rd Edition	-	2	175397	mg/L
Conductividad	Basado en SM 2510 B 23rd Edition	-	0.1	286000	uS/cm
Dureza (por cálculo)	Basado en SM 2340B - 23rd Edition	-	-	39200	mg/L
Bario	SGS.ME.342	-	10	<10	mg/L
Boro	SGS.ME.342	-	10	69.43	mg/L
Calcio	SGS.ME.342	-	10	6771.7	mg/L
Estroncio	SGS.ME.342	-	10	153.7	mg/L
Hierro	SGS.ME.342	-	10	<10	mg/L
Litio	SGS.ME.342	-	10	144.74	mg/L
Magnesio	SGS.ME.342	-	10	4791.9	mg/L
Manganeso	SGS.ME.342	-	10	<10	mg/L
Sodio	SGS.ME.342	-	10	92419	mg/L
Potasio	SGS.ME.342	-	10	5711.1	mg/L
Zinc	SGS.ME.342	-	10	10.11	mg/L
pH	Basado en SM 4500 H B 23rd Edition	-	0.1	6.6	UpH
Solidos Suspendidos Totales	Basado en SM 2540 D - 23rd Edition	-	10	76	mg/L
Solidos Totales Disueltos	Basado en SM 2540 C - 23rd Edition	-	10	339300	mg/L
Sulfatos	Basado en SM 4500 D - 23rd Edition	0.2	5	844	mg/L

Figure 11.3 Example SGS Argentina laboratory report

11.4 Security

David Carabanti closed and sealed all sample bottles and delivered them personally to SGS Argentina. Samples were collected using a bailer, put into one litre bottles, labelled, securely taped closed, and put into a secure box for transport to SGS Argentina. Chain of custody forms were used, and confirmation was issued by SGS Argentina on receipt of the sample bottles.

11.5 Analytical Quality Assurance and Quality Control

Analytical Quality Assurance/Quality Control (QA/QC) was monitored through the use of duplicate samples, blank samples, and standards. Accuracy, i.e., the closeness of measurements to the "true" or accepted value, was monitored by the insertion of standards, or reference samples. Distilled water blank samples were used to evaluate potential sample contamination and were inserted to measure any potential cross-contamination.

Initially, QA/QC analysis of the May 2021 surface brine samples included one duplicate assay. Analysis of the duplicate assay results shows reasonable correlation between original and duplicate results for the major elements of interest. Results for the duplicate sample are shown in Table 11.1.

Table 11.1 Summary of duplicate sample chemistry results

Incahuasi (Lodged 28 May 2021)			SGS ID SA21-66.0001				Reported 2 June 2021			
Assay Sample No.	**Li (mg/L)**	**Mg (mg/L)**	**K (mg/L)**	**Ca (mg/L)**	**B (mg/L)**	**TDS (mg/L)**	**S (mg/L)**	**Cl (mg/L)**	**SG (g/mL)**	**pH**
1	144.74	4,791.9	5,711.1	6,771.7	69.43	339,300	844	175,397	1.204	6.6
Duplicate 1	143.18	5,102.2	5,409.4	6,879.7	69.83	341,500	868	175,824	1.204	6.6
Diff %	1.1%	-6.5%	5.3%	-1.6%	-0.6%	-0.6%	-2.8%	-0.2%	0.0%	0.0%
2	97.18	3,034	3,886.3	4,300	49.65	332,200	1,391	178,208	1.203	6.8

On 22 March 2022, with the assistance of David Carabanti, Michael J. Rosko obtained a duplicate sample (M-32122) from well INCA-21-05R via bailer at a depth of approximately 30 mbls. Figure 11.4 shows the bailing process and the resulting brine samples.

Figure 11.4 Bailing sample from Well INCA-21-05R (22 March 2022) (MACL, 2022)

Results for the 21 March 2022 sample, and the original sample are shown in Table 11.2.

Table 11.2 Laboratory results from sample collected by Michael J. Rosko at INCA-21-05R compared to original sample results

Sample ID Original/Duplicate	Interval Depth (mbls)	Li (mg/L)	K (mg/L)	Mg (mg/L)	Ca (mg/L)	Na (mg/L)	B (mg/L)
M-32122 (1)	0-30	47.0	5,713.3	5,538.3	9,062.6	63,476.1	26.9
SALMUERA 35 (2)	46-50	145.9	6,224.9	6,339.0	8,127.9	103,479.1	64.3

Notes: (1) Sample taken with bailer in exploration well INCA-21-05R on 21 March 2022. (2) Sample taken with packer in exploration well INCA-21-05R in December 2021.

In the opinion of the Qualified Person, results from the 21 March 2022 sample are not sufficiently similar to the original sample obtained at a similar depth. The difference in the sample chemistry is believed to be due to the fact that the portion of the exploration well that was sampled at 30 mbls is in blank casing, i.e., not in hydraulic connection with the aquifer, and that the brine sampled in this stagnant part of the exploration well is likely not representative of the aquifer chemistry. For previous sampling conducted by David Carabanti in exploration well INCA-21-05R, samples were collected using depth-specific packers during drilling of the well, and before the well was cased.

As few duplicate samples were analysed, previously collected duplicate samples were submitted for re-analysis in April 2022. All samples including originals were sent to SGS Argentina, except two standards samples which were analysed by the ALS laboratory in Salta. In addition, blanks, and standards were also submitted.

Table 11.3 presents percentage difference between original and duplicate samples for Li, K, and Mg.

Table 11.4 presents percentage difference between original and duplicate samples for Ca, Na, and B.

Table 11.3 Percentage difference between original and duplicate sample results for Li, K, and Mg

Sample ID Original/Duplicate	Li (mg/L)	Duplicate	Diff (%)	K (mg/L)	Duplicate	Diff (%)	Mg (mg/L)	Duplicate	Diff (%)
Blank/44	0.00	<10	0.0%	0.00	<10	0.0%	0.00	<10	0%
SALMUERA 0030 (1)/45	111.81	115.41	3.2%	6,520.70	5,117.19	21.5%	5,917.70	5,094.55	13.9%
SALMUERA 0031 (2)/46	75.72	81.36	7.4%	4,188.40	3,449.34	17.6%	3,531.50	3,143.73	11.0%
Standard-1/47	147.00	134.08	8.8%	1,272.00	966.76	24.0%	593.00	548.33	7.5%
SALMUERA 0032 (3)/48	113.79	109.86	3.5%	5,616.40	4,743.24	15.5%	5,987.40	4,833.70	19.3%
SALMUERA 0033 (4)/49	117.55	113.66	3.3%	5,982.30	4,845.02	19.0%	5,909.40	4,873.83	17.5%
SALMUERA 34 (5)/50	120.00	107.89	10.1%	4,984.08	4,447.39	10.8%	6,136.78	4,792.84	21.9%
SALMUERA 35 (6)/51	145.90	140.13	4.0%	6,224.86	6,169.13	0.9%	6,339.03	5,959.27	6.0%
SALMUERA 36 (6)/52	158.10	152.97	3.2%	6,650.66	6,564	1.3%	7,571.13	6,723.63	11.2%
SALMUERA 34 (5)/53	120.00	108.41	9.7%	4,984.08	4,809.31	3.5%	6,136.78	4,815.16	21.5%
SALMUERA 037 (6)/54	128.31	133.47	4.0%	5,384.60	5,889.64	9.4%	5,744.85	5,946.51	3.5%
SALMUERA 038 (6)/55	156.89	147.38	6.1%	6,232.05	6,337.87	1.7%	6,881.30	6,649.93	3.4%
SALMUERA 39 (6)/56	154.10	159.25	3.3%	6,933.30	6,746.77	2.7%	8,053.80	7,416.61	7.9%
Standard-2 (7)/57	98.00	84.53	13.7%	2,672.00	2,380.42	10.9%	1,189.00	1,133.80	4.6%
SALMUERA 40 (3)/58	135.44	132.85	1.9%	5,415.89	5,792.52	7.0%	6,270.80	6,096.97	2.8%
SALMUERA 34 (5)/59	120.00	103.56	13.7%	4,984.08	4,843.32	2.8%	6,136.78	4,710.71	23.2%
SALMUERA 41 (5)/60	161.51	164.87	2.1%	6,553.82	6,819.31	4.1%	7,845.80	7,614.91	2.9%
BLANK/61	0.00	<10	0.0%	0.00	<10	0.0%	0.00	<10	0.0%

Notes: (1) Sample taken with packer in exploration well INCA-21-01R, (2) sample taken with packer in exploration well INCA-21-01R, (3) sample taken with packer and airlift in exploration well INCA-21-03R, (4) sample taken with packer in exploration well INCA-21-04R, (5) sample taken with packer and airlift in exploration well INCA-21-04BR, (6) sample taken with packer and airlift in well INCA-21-05R, (7) Standard-1 and Standard-2 by NOA2221487 Certificate ALS International, Argentina, and red highlighted cells are those with more than 10% difference.

Table 11.4 Percentage difference between original and duplicate sample results for Ca, Na, and B

Sample ID Original/Duplicate	Ca (mg/L)	Duplicate	Diff (%)	Na (mg/L)	Duplicate	Diff (%)	B (mg/L)	Duplicate	Diff (%)
Blank/44	0.0	<10		0.00	<10		0.0	<10	
SALMUERA 0030 (1)/45	5,927.4	6,466.8	9.1%	106,096.8	95,454.9	10.0%	65.1	54.9	15.6%
SALMUERA 0031 (2)/46	4,107.4	4,575.7	11.4%	112,829.9	106,984.3	5.2%	51.8	39.3	24.1%
Standard-1/47	299.0	238.4	20.3%	107,530.00	106,359.5	1.1%	543.0	503.7	7.2%
SALMUERA 0032 (3)/48	6,274.8	6,592.3	5.1%	108,842.9	101,366.4	6.9%	64.9	56.1	13.6%
SALMUERA 0033 (4)/49	6,327.1	6,597	4.3%	107,331	98,717.7	8.0%	68.2	52.8	22.6%
SALMUERA 34 (5)/50	7,168.5	6,302.7	12.1%	106,839.2	98,717.7	7.6%	56.1	45.3	19.3%
SALMUERA 35 (6)/51	8,127.9	8,125.9	0.0%	103,479.1	93,911.5	9.2%	64.3	56.6	11.9%
SALMUERA 36 (6)/52	9,814.7	9,241.4	5.8%	104,733.4	91,935.7	12.2%	69.2	60.6	12.4%
SALMUERA 34 (5)/53	7,168.5	6,165.2	14.0%	106,839.2	99,384	7.0%	56.1	45.3	19.3%
SALMUERA 037 (6)/54	8,035.0	8,071.2	0.5%	97,350.41	92,665	4.8%	65.0	55.0	15.4%
SALMUERA 038 (6)/55	9,073.0	9,095.4	0.2%	94,350.7	88,881.2	5.8%	66.4	61.3	7.7%
SALMUERA 39 (6)/56	11,168.2	10,441	6.5%	93,193.3	89,085.1	4.4%	98.2	75.5	23.1%
Standard-2 (7)/57	498.0	418.7	15.9%	98,500.00	94,492.5	4.1%	490.0	443.7	9.4%
SALMUERA 40 (3)/58	8,015.6	8,073.1	0.7%	99,388.9	95,530.5	3.9%	86.2	59.9	30.5%
SALMUERA 34 (5)/59	7,168.5	6,109.3	14.8%	106,839.2	97,522.7	8.7%	56.1	43.9	21.8%
SALMUERA 41 (5)/60	9667.6	9959	3.0%	96253	89671.3	6.8%	97.8	70.0	28.4%
BLANK/61	0.0	<10	0.0%	0.00	10.8	0.0%	0.0	<10	0.0%

Notes: (1) Sample taken with packer in exploration well INCA-21-01R, (2) sample taken with packer in exploration well INCA-21-01R, (3) sample taken with packer and airlift in exploration well INCA-21-03R, (4) sample taken with packer in exploration well INCA-21-04R, (5) sample taken with packer and airlift in exploration well INCA-21-04BR, (6) sample taken with packer and airlift in well INCA-21-05R, (7) Standard-1 and Standard-2 by NOA2221487 Certificate ALS International, Argentina, and red highlighted cells are those with more than 10% difference.

In general, percentage differences between original, and duplicate samples results are relatively low and considered to be within an acceptable range. The vast majority of lithium values possess percentage differences of less than 5%.

11.6 Conclusions

In the opinion of the Qualified Person, sample preparation, analyses, and security procedures are deemed adequate and adhere to industry best practice standards.

For subsequent exploration and aquifer characterisation programs, the Qualified Person recommends the development of a more robust QA/QC program, that includes insertion of more duplicate samples at the time of sample collection.

12 Data verification

12.1 Review of data available for resource modelling

The Mineral Resource Estimate (MRE) for the Project includes all data provided to WSP as of 28 May 2023. Further data was supplied on 8, and 25 June 2023. Data received included:

- Drill hole reports.
- Brine sample assay data.
- MT survey data and supporting documentation.
- TEM survey data and supporting documentation.
- Previous NI 43-101 Technical Report for the Project.
- Leapfrog Geo™ model inclusive of drill hole tables containing collar, survey, assay, and geological information, and topographic surface points. All drill holes used are in the WGS 84 UTM Zone 19S grid co-ordinate system have been collected using a handheld GPS unit. The Leapfrog Geo™ model provided was in the POSGAR 2007/Argentina 2 co-ordinate system.
- Technical report for the existing Leapfrog Geo™ model.

12.1.1 Database validation and adjustments

The integrity of the supplied databases was reviewed and confirmed, and further data analysis was completed in Leapfrog Geo™. This analysis included the following:

- Cross table checks (drill holes in collar but not in assay, etc.).
- Collar depth against final assay, and geology depth.
- Collar location against topography.
- Overlapping intervals, or gaps in the assay and geology tables.
- Duplicate drill hole names, and duplicate collar co-ordinates.
- Co-ordinate values of zero.

WSP was supplied with a Leapfrog Geo™ model that contained drill hole data in the following tables:

- collar.
- survey.
- geochem_cande (brine assay).
- lito_cande (lithology).
- lito_cande_facies (domained lithology).

The lito_cande (lithology) table contained simplified lithology recorded in the drill hole reports. The lito_cande_facies table domained the lithology into a halite unit overlying a sand-gravel-halite unit.

WSP found that both tables:

- Did not contain drill hole INCA-21-01R.
- The base of the halite unit in INCA-21-02R was out by 1 m.
- The chosen domain contact did not reflect the MT survey interpretations. The top of the first major sand unit better correlated with the MT survey.

The INCA-21-01R geology was added, and the depths in INCA-21-02R, and INCA-21-05R were updated. Changes to the tables are summarised in Table 12.1.

Table 12.1 Changes made to database tables

Drill Hole	Original From (m)	Original To (m)	Updated From (m)	Updated To (m)	Lithology in lito_cande Table	Domain in lito_cande_facies Table
INCA-21-01R	-	-	**0**	**37**	**Halite**	**Halite**
INCA-21-01R	-	-	**37**	**52**	**Sand**	**Sand gravel halite**
INCA-21-02R	0	**28**	0	**29**	Halite	Halite
INCA-21-02R	**28**	44	**29**	44	Sand	Sand gravel halite
INCA-21-05R	0	**99**	0	**81**	Halite	Halite
INCA-21-05R	**99**	111	**81**	111	Sand	
INCA-21-05R	**99**	209	**81**	209	-	Sand gravel halite

12.1.2 Survey data

Collar surveys are recorded in WGS 84 UTM Zone 19S and have been collected using a handheld GPS unit. No Z (Relative Level [RL]) value has been recorded, and a default of 3,500 was used in the collar table then projected to the topographic surface.

12.1.3 Assay drill hole data

The drill hole database was checked for internal consistency and was found to match the SGS Argentina analytical results. Of the 12 samples, three were air lifted samples ranging from 21.1 m to 58 m, two of which overlapped corresponding packer samples. In these cases, WSP excluded the air lifted samples.

12.1.4 Topographic surface

Spey provided a Leapfrog Geo™ model that contained topographic point data in two point sets, grid_topo at 6.38 m x 7.37 m resolution, and topo_grid at 20 m x 20 m resolution. The topographic surface utilised the mesh created from the topo_grid (20 m x 20 m) point set.

WSP noted the location of the concession boundary did not match figures presented in the previous NI 43-101 Technical Report. All co-ordinates were reprojected from source data (WGS 84 UTM Zone 19S) to POSGAR 2007/Argentina 2 and cross-checked using QGIS software. The satellite image present in the Leapfrog Geo™ model was re-georeferenced (Figure 12.1). The digitised basin limit polygon was updated as a result.

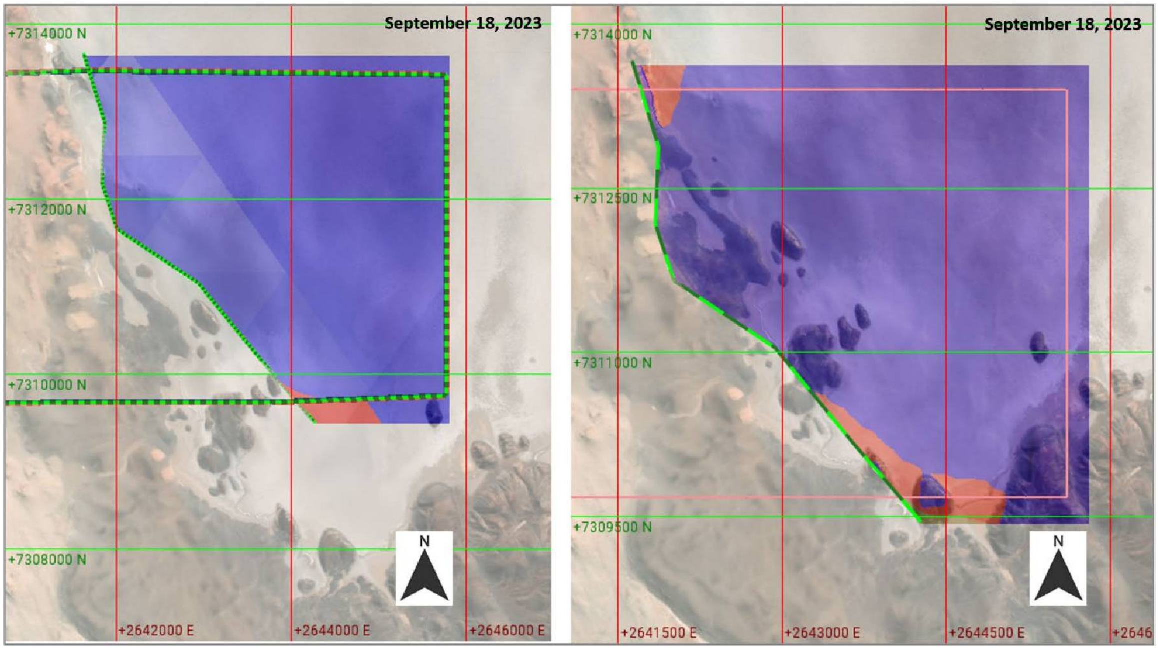

Figure 12.1 Comparison of existing geological model with incorrectly georeferenced satellite imagery (existing = left, and updated = right)

The topo_grid mesh was visually compared to the point data, with large discrepancies identified. The mesh was reprocessed, reducing the resolution from 1,500 to 25 and changing Snap to Data to All Data (Figure 12.2 and Figure 12.3).

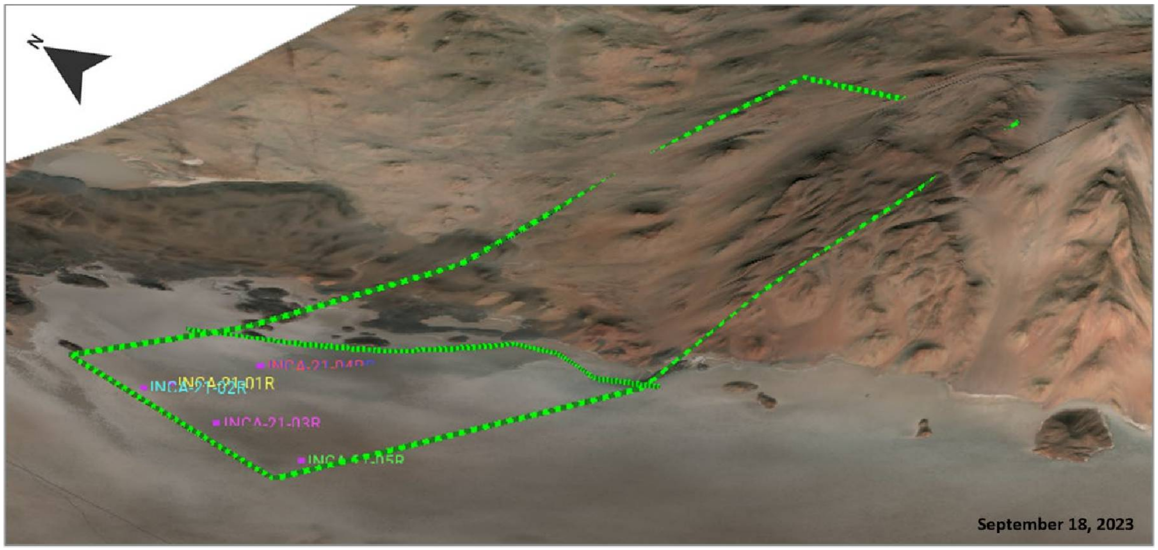

Figure 12.2 Original topo_grid mesh with a resolution of 1,500 and snap to data set to off (Z-Scale Set to 5)

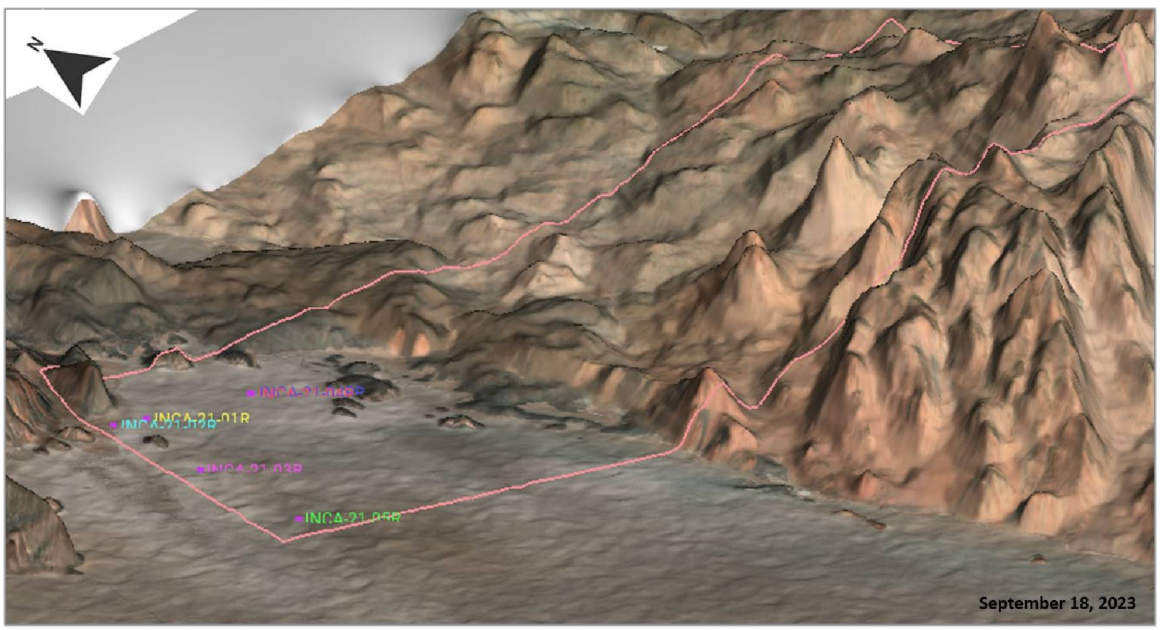

Figure 12.3 WSP topo_grid mesh recreated with a resolution of 25 and snap to data set to all data (Z-Scale Set to 5)

12.2 Conclusions

Field sampling of brines was conducted in accordance with industry best practice standards. The brine sampling program included standard QA/QC elements such as obtaining duplicate laboratory samples, and submitting standard samples with known values, and blank samples to the laboratory/laboratories.

Formal traffic reports, and chain of custody documents were prepared for every sample obtained and submitted for laboratory analysis. In the opinion of the Qualified Person, sample preparation, analyses, and security procedures are deemed adequate and adhere to industry best practice standards, and results from the laboratory analyses, especially with respect to lithium, are considered adequate and acceptable. Verification was limited due to the fact that the Qualified Person was not physically present in the field during the exploration programs; however, documentation of activities is comprehensive, and complete and laboratory results, including results of duplicate samples for the original samples, and the sample taken by Michael J. Rosco support the work completed and the results obtained.

For subsequent exploration and aquifer characterisation programs, the Qualified Person recommends the development of a more robust QA/QC program, that includes insertion of more duplicate samples at the time of sample collection.

13 Mineral processing, and metallurgical testing

At this early phase of the Project, Spey has only held preliminary conversations with process engineers regarding mineral processing selection, and metallurgical testing program requirements. Once additional work to better determine the chemistry of the brine, estimate lithium Mineral Reserves, and determine overall feasibility, detailed mineral processing, and metallurgical testing analyses will be conducted.

14 Mineral Resource estimates

This Technical Report represents an update to the 10 June 2022 NI 43-101 Technical Report titled "*Technical Report for the Incahuasi Salar Lithium Concession, Salta Provence, Argentina*", and provides a MRE for the Project.

The MRE for the Project has been prepared by WSP technical staff, using both historical, and recent drilling results, in accordance with NI 43-101, and following the requirements of Form 43-101F1. The MRE is classified and reported in accordance with the CIM Definitions, CIM Guidelines, and NI 43-101 Guidelines.

The Qualified Person for the MRE is Jason Van den Akker, Principal Hydrogeologist, and independent Qualified Person, as defined under NI 43-101, and an employee of WSP based in Adelaide, South Australia, Australia. The Effective Date of this MRE is 18 September 2023.

The Project currently consists of the southern end of the Incahuasi Salar, and the geological interpretations and MRE outlined in the following sections were derived from drill hole data, TEM and MT surveys, and geological models provided by Spey technical staff. WSP utilised both Seequent Leapfrog Geo™, and Maptek Vulcan™ software for geological modelling, and Mineral Resource estimation and reporting.

14.1 Key assumptions and data used in the estimate

14.1.1 Drill hole data

The Project drill hole database that supports the MRE includes collar, downhole survey, assay, and lithology data. The elements included in the assay data are Barium (Ba), Boron (B), Calcium (Ca), Strontium (Sr), Iron (Fe), Lithium (Li), Magnesium (Mg), Manganese (Mn), Potassium (K), Sodium (Na), and Zinc (Zn) as well as brine density, and TDS measurements. Only Li, and Mg were estimated in the MRE. Drill hole data is stored in Leapfrog Geo™ tables and were exported as Comma Separated Values (CSV) files for the purposes of this MRE. Summary statistics of available drill holes contained within the Project drill hole database are provided in Table 14.1.

Table 14.1 Summary of project drill hole database (updated in 2023)

Drilling Type	Number of Drill Holes	Total Meterage (m)	Number of Samples (Packer)	Number of Samples (Airlift)	Median Depth of Drill Holes (m)	Average Depth of Drill Holes (m)
Rotary	5	489	9	3	57	81.5

Within the Project drill hole database, and for the purposes of the MRE, airlift samples were excluded due to overlapping intervals, and the ambiguous representation of results over such a large sampling interval.

The Project drill hole database was reviewed, and minor errors were updated as outlined in Section 12.1.1.

14.2 Geological interpretation

Wireframe solids representing the three domains (Halite, Sand-Gravel-Halite, and Basement) were constructed primarily in Leapfrog Geo™ software (version 2023.1). Wireframes were generated by snapping to drill hole contacts utilising the implicit modelling module and refining the final solids using interpretive polylines (structural trends) based on MT survey data where applicable.

14.2.1 Geological model

The lithology and hydrostratigraphic models defining the Incahuasi Salar geometry and stratigraphy were created using Leapfrog Geo™ software. Logging information, assays, the provided topographic surface, TEM and MT surveys and previous models (as a guide) were used to determine salar morphology and features.

A new basin limit polyline was created following the edge of the Salar and was used as the geological model vertical wall boundary, and a contact polyline for the basement unit. Polylines outlining the "islands" were used as vertical boundaries on the geological model to remove outlying blocks from the estimation. The updated 2023 geological model is presented in Figure 14.1, and Figure 14.2.

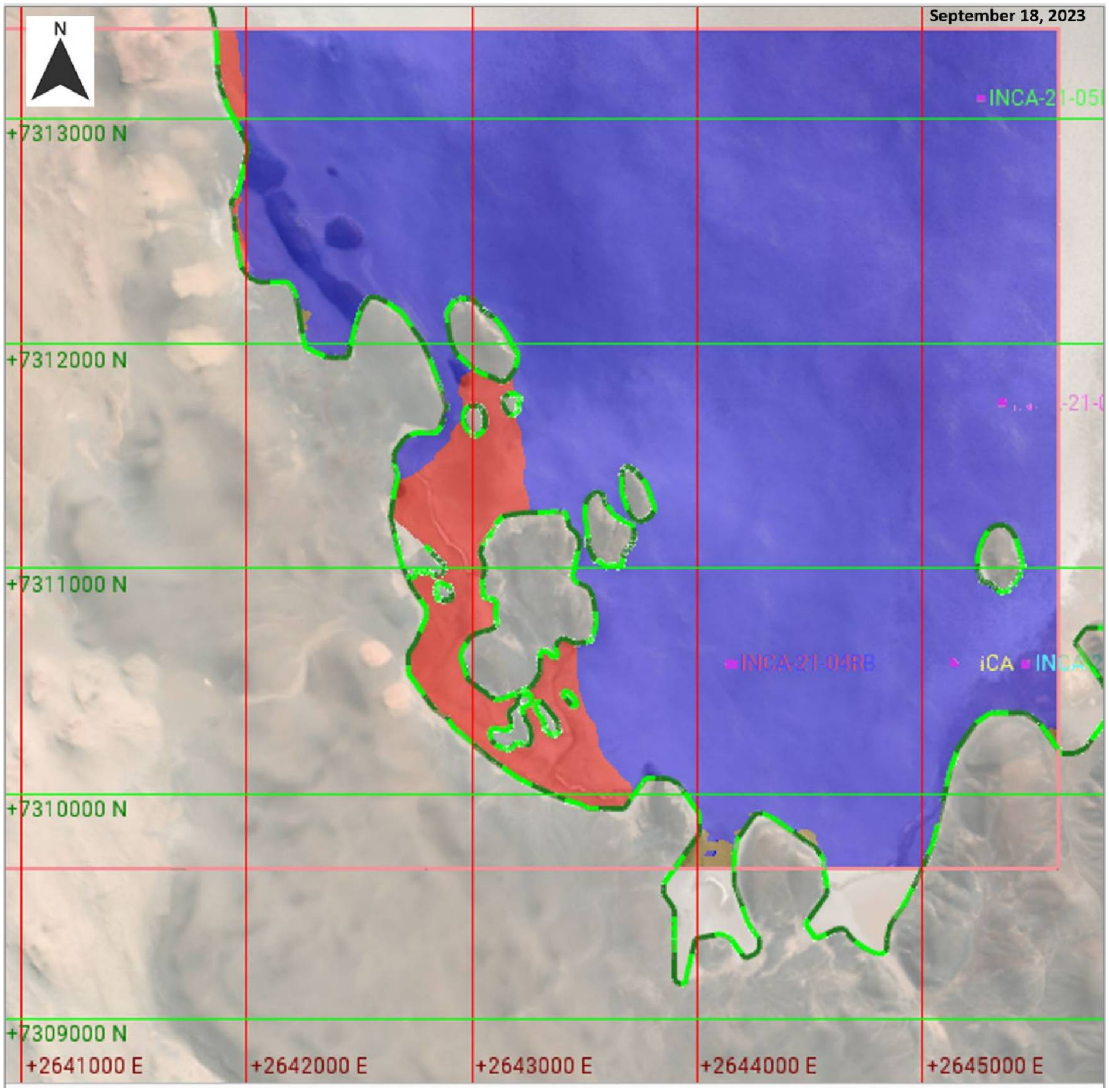

Figure 14.1 2023 updated geological model (green polylines represent basin limits/basement contact and island boundaries. light red polyline denotes the project boundary)

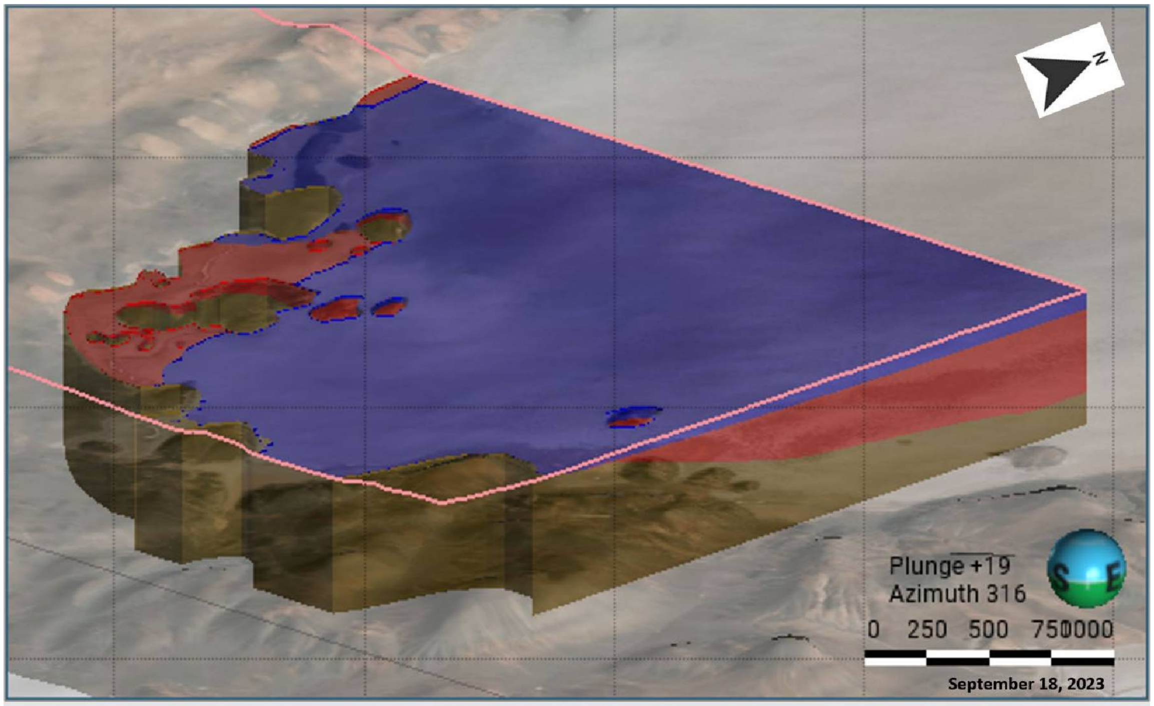

Figure 14.2 Isometric view of 2023 updated geological model volumes

The geological model volumes were exported to Maptek Vulcan™ triangulation (.00t) files.

14.2.2 Brine geochemistry

Brine samples were collected using a depth specific bailer method, a packer system, and airlifted during pumping tests. As the airlifted samples represent the entire screened section of the drill hole, only the depth specific bailer samples, and packer samples were used for Mineral Resource estimation purposes.

14.3 Capping and outlier restrictions

No grade capping was applied to assay results.

14.4 Compositing

The predominant sampling interval is 4 m (Figure 14.3). Due to the limited quantity of sample data, straight composites were generated for Li, and Mg. As the straight composites reflect the raw sample data, univariate statistics for brine samples were generated, and are presented in Table 14.2.

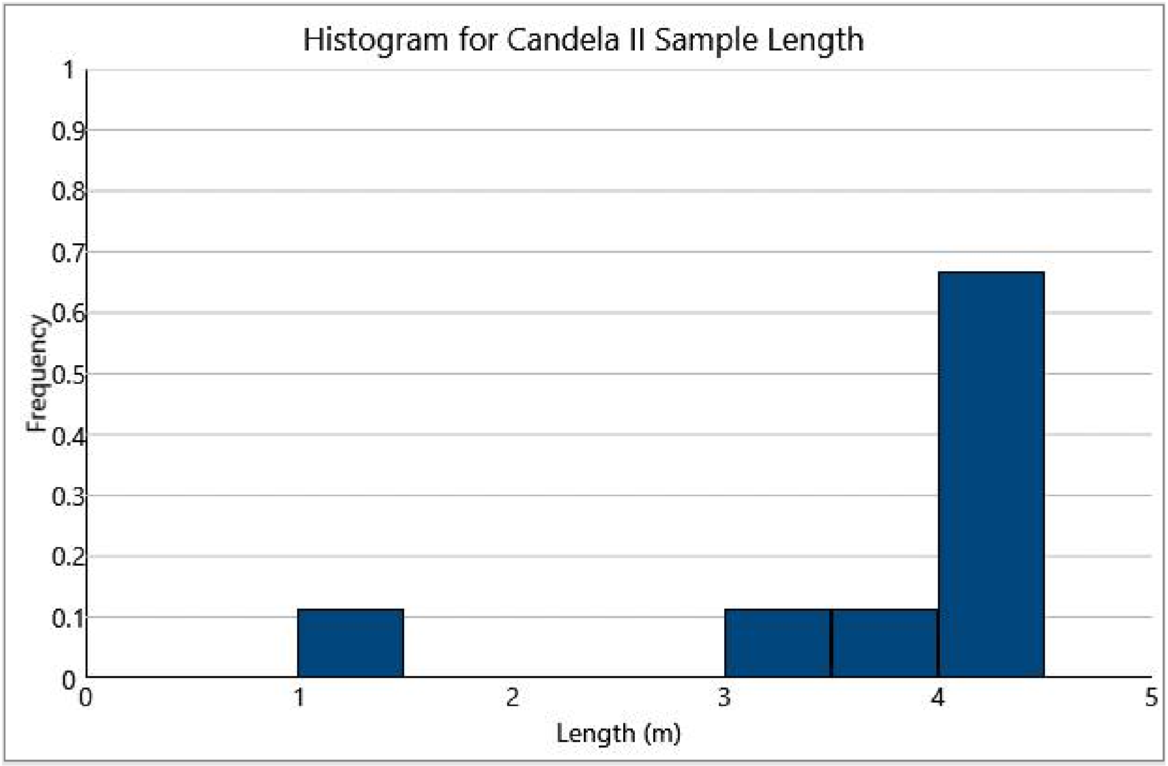

Figure 14.3 Sample length histogram

Table 14.2 Brine sample univariate statistics

	B	Ca	Cl	K	Li	Mg
Count	9	9	9	9	9	9
Min	52	4,107	185702	4,188	76	3,532
Max	69	9,815	201221	6,651	158	7,571
Mean	63	7,206	194053	5,754	125	6,002
Standard Deviation	5	1,657	6068	752	24	1,030
Variance	29	2,745,015	36,816,790	565,940	596	1,061,387
Coefficient of Variance	0.09	0.23	0.03	0.13	0.20	0.17
Lower Quartile	60	6,101	187,305	5,184	113	5,827
Median	65	7,168	194,746	5,982	120	5,987
Upper Quartile	67	8,600	200,178	6,376	151	6,610

Solute concentrations in salar brines increase both towards the centre of the basin, and with depth. This trend is shown with the correlation between Li concentration, and depth (Figure 14.4).

Figure 14.5 and Figure 14.6 show the positive correlation between Li and Mg, and Li and K, respectively.

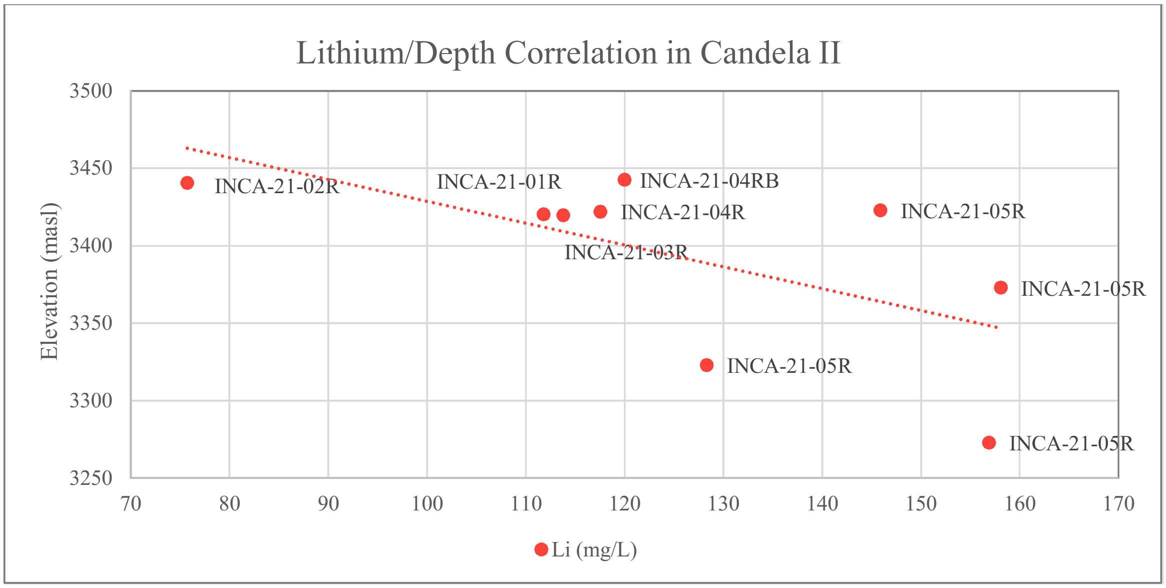

Figure 14.4 Li/depth correlation

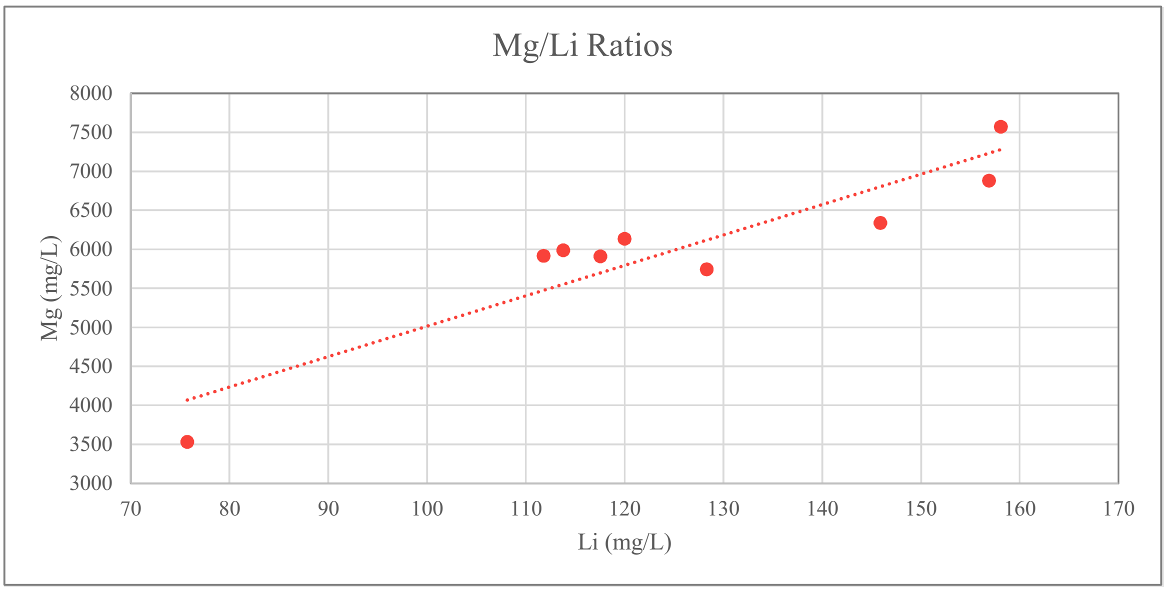

Figure 14.5 Mg/Li ratios

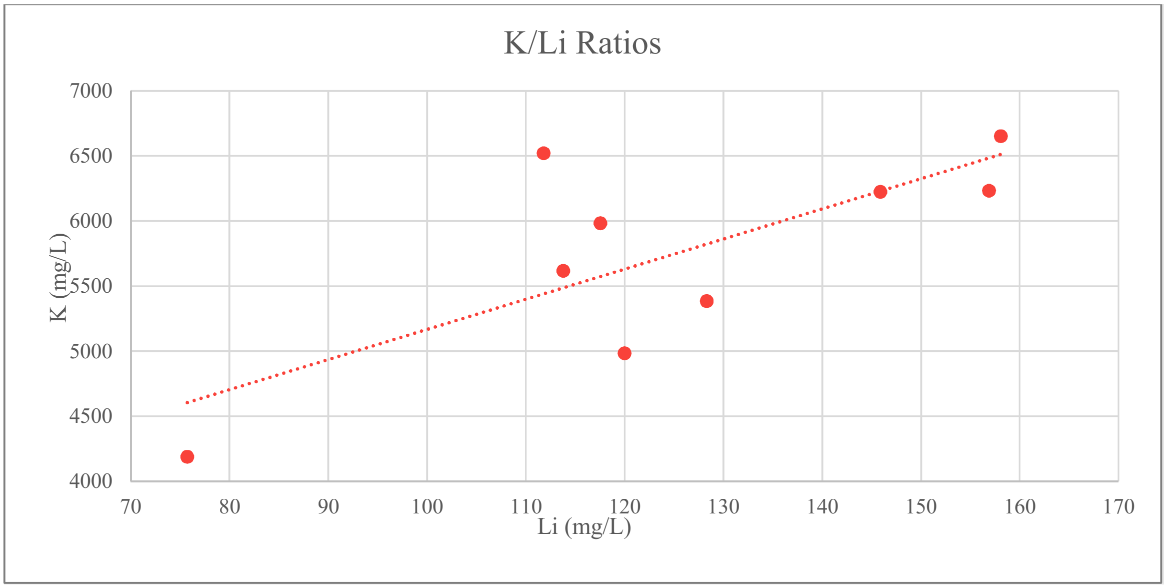

Figure 14.6 K/Li ratios

14.5 Density

Brine density was included in the SGS Argentina results, and ranges from 1.206 to 1.211 g/cm^3. Results reside in the assay table of the Project drill hole database. Due to the consistency of the results, a default density value of 1.200 g/cm^3 was applied.

14.6 Variography

The current spatial distribution of brine samples is insufficient for statistical analysis of the hydrochemistry, hence variography was not conducted.

14.7 Block model interpolation

A geological block model was constructed using Maptek Vulcan™ software. The model was oriented parallel to the POSGAR 2007/Argentina 2 grid, and sub-blocked using the geological model volume wireframes exported from Leapfrog Geo™. The dimensions of the block model are summarised in Table 14.3.

The parent and sub-block cell sizes were selected to provide adequate resolution of modelled domains, while providing an estimation cell of reasonable size with respect to the nominal drilling densities to ensure acceptable local estimation quality.

A parent block size of 250 m (X) by 250 m (Y) by 25 m (Z) was selected, which is compatible with the nominal drilling grid dimensions. Sub-blocks of size 50 m (X) by 50 m (Y) by 5 m (Z) were selected after validating the block model against geological model volume wireframes.

Table 14.3 Block model extents and parameters

Co-ordinate	Origin (m)	Extents (m)	Parent Cell Size (m)	Number of Blocks	Number of Subcell Splits	Minimum Cell Dimension (m)
Easting (X)	2,641,500	4,500	250	18	5	50
Northing (Y)	7,309,100	4,500	250	18	5	50
RL (Z)	2,950	550	25	22	5	5

Block model variables are presented in Table 14.4.

Table 14.4 Block model variables

Variables	Description
concession	Candela = 1
lith	lithology
domain	domained lithology
thick	seam thickness
density	estimated density at 20У G/ML
alkalinity	estimated alkalinity mg $CaCO_3$/l
bicarbonates	estimated bicarbonates mg $CaCO_3$/l
carbonates	estimated carbonates mg $CaCO_3$/l
chlorides	estimated chlorides mg/L
conductivity	estimated conductivity µS/cm
hardness	estimated hardness (by calculation) mg/L
ba	estimated barium mg/L
B	estimated boron mg/L
ca	estimated calcium mg/L
sr	estimated strontium mg/L
fe	estimated iron mg/L
li	estimated lithium mg/L
li_id2_wt	li ID weight
li_nsamp	li_nsamp
li_nholes	li_nholes
li_dist	li_dist
li_xdist	li_xdist
li_min_wt	li_min_wt
li_max_wt	li_max_wt
mg	estimated magnesium mg/L
mg_id2_wt	mg ID weight
mg_nsamp	mg_nsamp
mg_nholes	mg_nholes
mg_dist	mg_dist
mg_xdist	mg_xdist

Variables	Description
mg_min_wt	mg_min_wt
mg_max_wt	mg_max_wt
mn	estimated manganese mg/L
k	estimated potassium mg/L
na	estimated sodium mg/L
zn	estimated zinc mg/L
ph	estimated ph
tss	estimated total suspended solids mg/L
tds	estimated total dissolved solids mg/L
so4	estimated sulphates mg/L
reso_class_int	resource classification integer (3 = Meas, 2 = Ind, and 1 = Inf)
specific_yield	specific yield for unit

Inverse Distance (ID) interpolation was used to estimate Li, and Mg block grades into the block model in a single pass. Grade estimation was conducted using Maptek Vulcan™ software. Search ellipses were based on a 1,500 m radius around brine samples, with a Z value set to 60 m to cover the 50 m depth spacing in drill hole INCA-21-05R. All estimation parameter values were restricted to a single pass of the full ellipsoid range. The mean estimated values of 128.602 mg/L for Li, and 6,216.852 mg/L for Mg were then applied as the default values for any unestimated blocks.

14.8 Mineral Resource classification

Definitions for Mineral Resource categories used in this Technical Report are consistent with CIM Definition Standards for Mineral Resources and Mineral Reserves (2014). The classification of Mineral Resources at the Project incorporated confidence in the drill hole and survey data, geological interpretation, data distribution, statistical analysis, and grade estimation. While all of the factors previously stated support confidence at the Project, the resource classification has been limited to Inferred Resources due to low confidence in drill hole collar locations (handheld GPS survey data), the absence of confirmed basement contacts, and the small number of brine samples available.

Mineral Resources have only been classified for blocks estimated using the ID interpolation method (described in Section 14.7).

In the opinion of the Qualified Person, the Project is reasonably classified, and consistent with CIM Definition Standards for Mineral Resources and Mineral Reserves (2014).

14.9 Block model validation

A statistical and visual assessment of the block model was undertaken to:

- Assess successful application of the estimation,
- Ensure that as far as the data allowed, all blocks within the mineralised domains were estimated, and
- Ensure that the estimates conducted were representative of the data, and performed as expected.

The grade model was validated using the following techniques:

- The global de-clustered mean grades of the input data were compared with the global mean grades of the output block model. Table 14.5 provides an example of the numerical validation reviewed.

- Visual validation by comparison of drill hole composite grades, with block model grades on vertical cross-sections and plans. Figure 14.7 provides an example of the visual comparison performed.

Table 14.5 Comparison of input and model grade means

Element	Source	# of Samples	Minimum	Maximum	Mean	SD	Variance	CV
Li (mg/L)	Composite	9	75.72	158.10	125.34	24.42	596.44	0.19
	Block Model	5,385	80.90	152.66	126.60	9.06	82.08	0.07
Mg (mg/L)	Composite	9	3,531.50	7,571.13	6,002.12	1,030.24	1,061,387	0.17
	Block Model	5,385	3,867.44	7,021.29	6,172.82	274.54	75,373.836	0.04

Block grades were checked visually onscreen using Maptek Vulcan™ software and viewed in cross-sections and plans against the drill hole composites grades (Figure 14.7). This comparison provided good correlation between the input data and estimated values. No obvious discrepancies were observed.

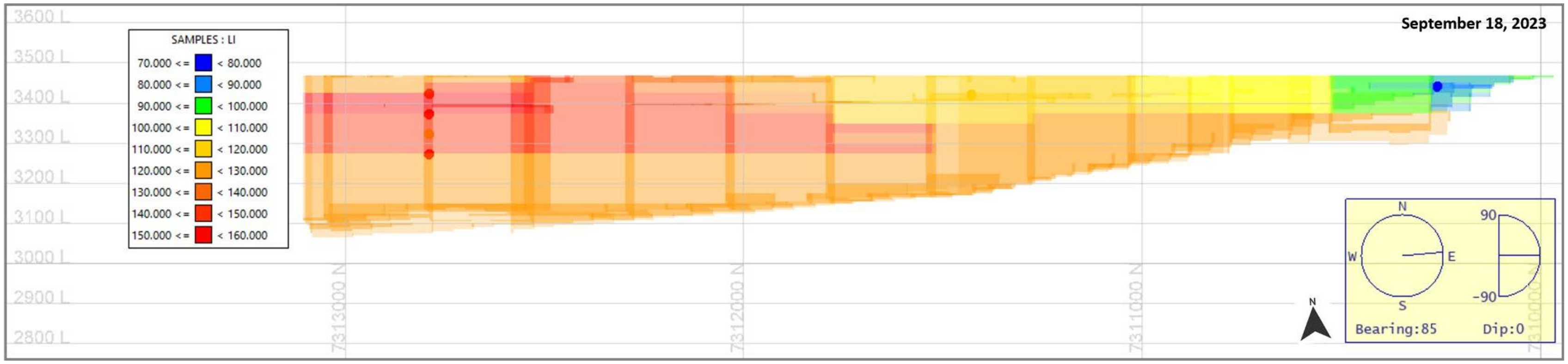

Figure 14.7 Visual long-section comparison of input composites and resulting ID estimates for Li

14.10 Reasonable prospects of eventual economic extraction

14.10.1 Specific yield

A hydrostratigraphic model was developed for the Project (Rojas 2022), which was updated for this MRE. At the MRE stage, the model supported an estimate of bulk in situ brine volume, with preliminary characterisation of brine recoverability based on a porous media parameter known as specific yield. Currently, no porosity or specific yield data has been determined for the Project. The hydrostratigraphic model produced (Rojas 2022) estimated specific yield by utilising mean specific yield values for similar lithologies from other salars such as Hombre Muerto, Rincón, Olaroz, and Centenario. The values used are listed below:

- Halite: 8%.
- Sand-gravel-halite: 12%.

14.10.2 Project economics

Spey has made the following assumptions in consideration of RPEEE (Spey, 2023):

- Estimated capital expenditure of USD$45-55m for a 10,000 tonne per annum (tpa) processing plant.
- Estimated capital expenditure of approximately USD$80-90m for all other infrastructure, exclusive of the processing plant, and staff housing.
- For a downscaled processing plant design e.g., 4,000 to 6,000 tpa, total capital expenditure for the Project (exclusive of staff housing) is estimated to be in the order of USD$60-85m.
- Estimated operating expenditure, inclusive of Argentina taxes of USD$3,500-4,750 per tonne.
- Estimated >93% lithium recovery from pilot plant studies.
- 99.5% battery grade lithium carbonate is able to be produced from LiCl base product.
- Estimated revenue from the Project in the order of USD$245m.

WSP anticipates that all reported Mineral Resources will be available for extraction.

14.11 Mineral Resource Estimate

The MRE for the Project is classified and reported in accordance with the CIM Definitions, CIM Guidelines, and NI 43-101 guidelines. The effective date of the MRE is 18 September 2023.

Average specific yield values outlined in Section 14.10.1 were applied to the total metal tonnages to obtain the yield from the available brine. The LCE is calculated from the ratio of lithium carbonate (Li_2CO_3) to Li (5.32). The calculations assume no process losses.

The specific processing methodology to be employed at the Project is yet to be determined, as is the minimum cut-off grade (COG). The processing methodology likely to be utilised by Spey at the Project requires a 100 ppm feed grade (1 ppm is equivalent to 1 mg/L).

Of the total MRE, 98.9% of the brine volume is above a 100 ppm lithium COG.

Additional cost and pricing assumptions supporting RPEEE are presented in Item 14 of this Technical Report.

No cut-off grade (COG) has been applied to the MRE.

Table 14.6 presents the MRE for the Project.

Table 14.6 Project MRE

Category	Domain	Sediment Volume (m^3)	Specific Yield (%)	Brine Volume (m^3)	Li Grade (mg/L)[1]	Li Metal (kt)[2]	Li Yield (kt)	LCE (kt)[3]	Mg Grade (mg/L)[1]	Mg Metal (kt)	Mg Yield (kt)
Inferred	Halite	262,887,500	8	21,031,000	125.7	33	3	14	6,166.6	1,621	130
	Sand-Gravel-Halite	409,162,500	12	49,099,500	130.5	53	6	34	6,249.1	2,557	307
Total Inferred		**672,050,000**		**70,130,500**		**86**	**9**	48	6,217.1	**4,178**	437

Notes: (1) Grade values are the average estimated value for the domain in the Vulcan™ Block Model, (2) Total in-situ contained lithium metal, (3) Extractable LCE, (4) No recovery, dilution or other similar mining parameters have been applied, (5) Although the Mineral Resources presented in this Technical Report are believed to have a reasonable expectation of being extracted economically, they are not Mineral Reserves. Estimation of Mineral Reserves requires the application of modifying factors and a minimum of a PFS. The modifying factors include, but are not restricted to, mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social, and governmental factors.

The Mineral Resources presented in this Item are not Mineral Reserves, and do not reflect demonstrated economic viability. The reported Inferred Mineral Resources are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves. There is no certainty that all or any part of this Mineral Resource will be converted into Mineral Reserve. All figures are rounded to reflect the relative accuracy of the estimates and totals may not add correctly.

Based on the geological results presented in this Technical Report, supported by the assumptions made by Spey (presented in Section 14.10), it is the Qualified Person's opinion that the Mineral Resources have RPEEE. Further exploration, and technical studies are required to confirm the economic feasibility of the project and to allow the estimation and reporting of a Mineral Reserve.

14.12 Change from previous estimate

No previous MRE has been prepared and reported.

15 Mineral Reserve Estimates

Item 15 is not required as the Project is not an advanced property.

16 Mining methods

Item 16 is not required as the Project is not an advanced property.

17 Recovery methods

Item 17 is not required as the Project is not an advanced property.

18 Project infrastructure

Item 18 is not required as the Project is not an advanced property.

19 Market studies and contracts

Item 19 is not required as the Project is not an advanced property.

20 Environmental studies, permitting, and social or community impact

Item 20 is not required as the Project is not an advanced property.

21 Capital and operating costs

Item 21 is not required as the Project is not an advanced property.

22 Economic analysis

Item 22 is not required as the Project is not an advanced property.

23 Adjacent properties

Figure 23.1 shows the properties adjacent to the Project, and in the nearby area. Little information has been made public for the exploration efforts by the adjacent property owners. Ganfeng has drilled exploration wells, but the results of these have not been made public. Orocobre Limited (Orocobre), now known as Allkem Limited (Allkem), is not known to have conducted any exploration activities to date within their concessions.

The Qualified Person has been unable to independently verify the information presented in this Item, and the information is not necessarily indicative of the mineralisation at the Project that is the subject of this report. The Qualified Person has not used the information from the adjacent properties in the preparation of the MRE presented in this report.

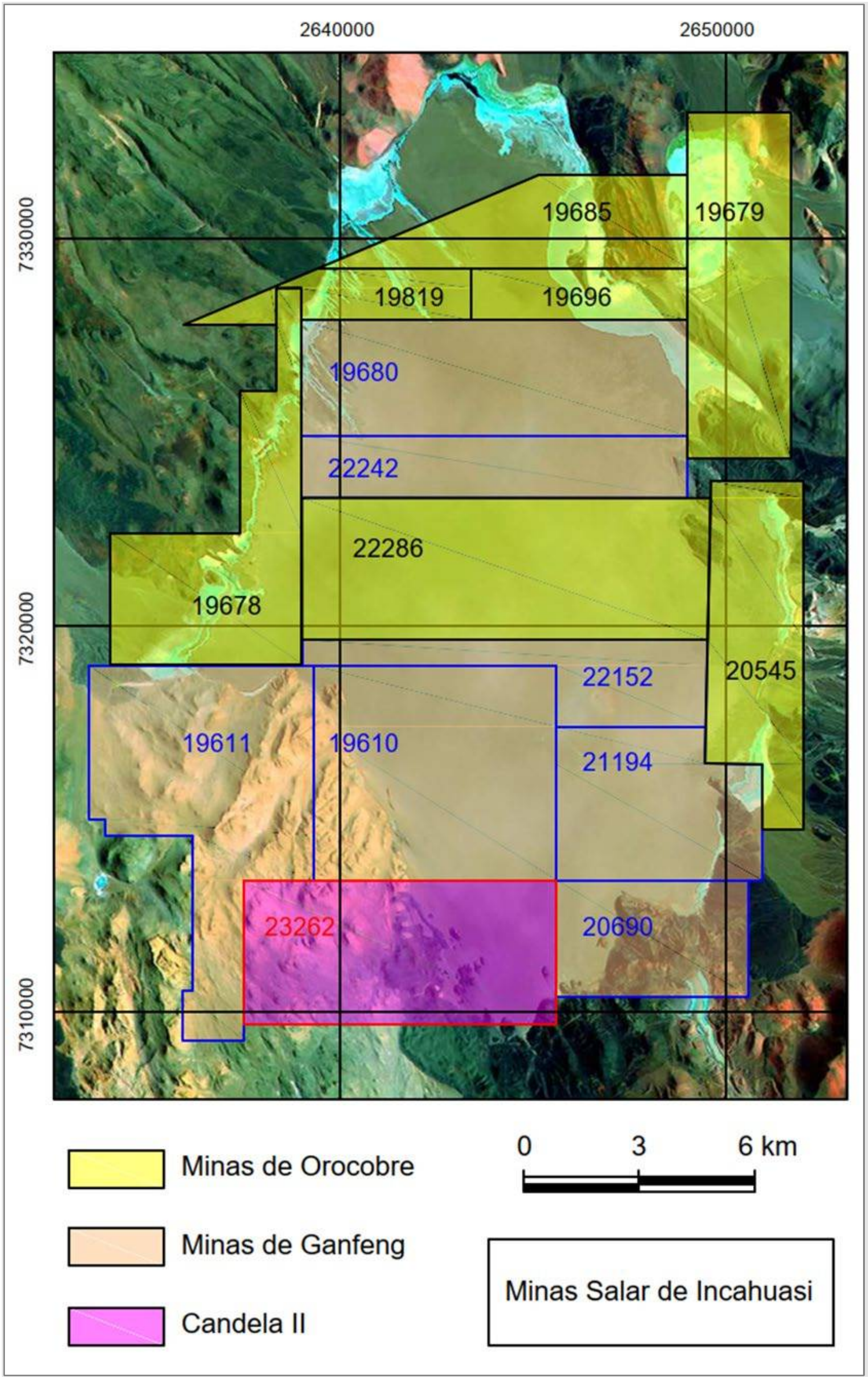

Figure 23.1 Adjacent concessions

24 Other relevant data and information

The following information has been extracted from Ganam (2021). This preliminary study was prepared mainly for the purpose of obtaining exploration drilling permits. Aside from this information, there are no other relevant data to disclose that has not already been covered in this Technical Report.

24.1 Environmental studies in Argentina and Salta

Mining operations in Argentina are regulated by the National Mining Code (national Law 24.196) and are enforced by the provinces. Argentina is a Federal Republic, and therefore the Provincial government is in charge of establishing the rules for mining activities and issuing environmental permits. The Mining and Energy Secretariat of the province of Salta is the enforcement authority for mining and environmental issues. Permits are granted by multiple ministries within the Salta Government, however, the engagement and permitting process is coordinated by the Provincial Mining Secretariat.

The EIS is the main permit required for mining operations and includes the conditions and rules for such operations and is compliant with the Law of Environmental Protection for the Mining Activity (Law 24.585) and complementary regulations. The EIS is normally prepared by an external environmental consultant based on detailed information for the project. The consultant updates the environmental baseline, analyses the potential alternatives for the project against current legislation, assesses the environmental impacts. Also, the EIS process defines several environmental management plans and a community engagement process. The EIS is then submitted to the Mining Secretariat, which in turn involves other provincial secretariats and groups (Environment, Water Resources, Industry, Energy, and others as applicable) in the review. After the review process with all these groups is completed, the Mining and Environmental Secretariats prepare a preliminary report for approval.

A Public Audience organized by Mining Secretariat with the involved communities is then held to discuss the results of the preliminary report. After the Public Audience, the Mining Secretariat provides final approval. The time for this approval is typically between 6 and 9 months, depending on the complexity of the project. It is important to note that results of the Public Audience are not binding.

24.2 Environmental studies

At the beginning of 2021, the EIS was presented for the exploration stage of the Project (Ganam, 2021). In March of the same year, the EIS was approved by the environmental authorities of Mining Secretariat in Salta Province. The EIS proposed the drilling of five exploration wells to a maximum depth of 200 m. For the realisation of the wells, permanent facilities such as camp and accessories were not built (only temporary), with a minimum of number of personnel for drilling and geological control tasks. During drilling operations, brine from the salt flat was used, for which extraction pits were excavated in the vicinity of the exploration wells. Water for human consumption was transferred from the nearest population centre. It is noteworthy that biodegradable additives were used for drilling.

Given the scope of the operations, no significant environmental impacts were recorded on geomorphology, landscape, surface water, groundwater, air quality, flora, or fauna during exploration drilling.

24.3 Environmental baseline studies

No specific environmental baseline studies have been conducted for the Project's area of influence. In this case, a bibliographic compilation of the main disciplines of geology, geomorphology, soil and land uses, climate, hydrogeology, flora, and fauna was developed. In the area of influence of the Candela II concession there are no records of sites of cultural, archaeological, and/or paleontological value or importance; however, a field study is recommended according to the activities conducted, and to be conducted in the future. As part of the baseline studies, protected natural areas and the social elements of the project are discussed in the following sections.

24.3.1 Identification of protected natural areas

The closest protected area is the Los Andes Multiple-Use Open Reserve (Res.428; Gob. Salta Province, 2016). This area covers a large part of the Los Andes Department, and the northern sector of the La Poma Department of Salta Province. According to the published zoning (Figure 24.1), the Candela II concession sits in sustainable use zones including:

- Multiple-use subzone: Area for the harmonious development of productive activities and the construction of linear structures such as railways, power lines, and roads, etc.
- Support ecosystem services sector: Spaces with manifestations of ecosystem processes typical of the Puna Region, in areas free of industrial activities, roads, railways and infrastructure works.
- Salar sector: Includes the natural limits of the Puna salt flats in what is intended to Characterise the saltwater-freshwater balance, which enables the development of particular vegetation and associated faunal communities.

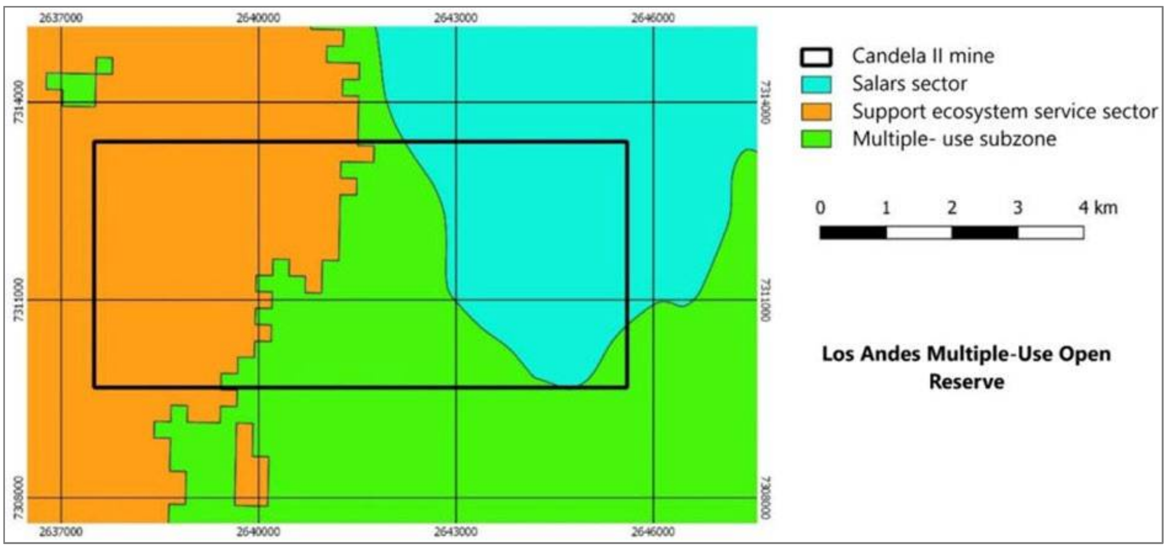

Figure 24.1 Protected natural areas in the south of the Incahuasi Salar

24.3.2 Social

The town of Tolar Grande, which is the closest population centre, is approximately 55 km from the Project. According to the 2010 census, Tolar Grande has a permanent population of approximately 200 inhabitants. It has lodging infrastructure, a police station, primary and secondary school, cell phone service, satellite television service, electricity supply, gastronomy services, and merchandise supply. It also has a health centre, an infirmary, an ambulance, and a health care professional. The San Antonio de Los Cobres Hospital is the closest complex centre and is located approximately 180 km from the town of Tolar Grande. This centre has more than 30 inpatient beds and professionals of differing specialties.

San Antonio de los Cobres has more urban characteristics than other communities due to having a larger population. These include additional public institutions, and more commercial activity. The main economic activities in San Antonio de los Cobres are employment in public administration, trade, craft industries, and since the last decade, small industries related to tourism and mining. Current mining-related employment includes direct employment, and indirect employment such as jobs in transportation, lodging, dining, grocery stores, vacation homes, and offices.

Companies with activities in the Puna Region co-ordinate their activities directly with the local communities.

Except for San Antonio de los Cobres, as the most important town-city of Los Andes Department, all communities share similar rural characteristics. The main activities in the area have been historically related to small-scale livestock (mainly camelid) production. Settlement patterns, and spatial dispersion vary with livestock pasturing movements.

Mining is considered to be one of the most important sources of work for the residents of these communities, only preceded by animal husbandry. Also, manual labour, and a growing tourism sector contribute to the local economy.

Spey conducted a social survey as required under the license on 18 May 2023.

24.4 Total impact and management plan

The impacts on geomorphology and landscape due to the construction of access roads, and slabs to exploration wells were considered negligible and reversible, therefore the affect was considered to be temporary after the application of corrective measures at the conclusion of works. Within the surface of the salar, there are no developed soils, therefore the impact of the operations is considered null in terms of its current and potential use. The volumes of water that will be used both for future drilling wells, and subsequent pumping tests are low compared to the natural recharge of the salt flat, so the impact is considered insignificant. In the same way, gas emissions from vehicles and machinery used in the operation, as well as the production of Particulate Matter (PM) are considered insignificant for the impact on air quality in the area. Since the surface of the salt flat is devoid of flora, there will be no impact. The Project is far from freshwater vegas, and from sites that can serve the fauna as a refuge and feeding areas. Even though the noise produced by the movement of the operations may affect the fauna, this impact is minor and reversible, given the temporary nature of exploration works.

Prior to initiation of exploration works, and as part of the communication plan, informative meetings are held with the community. Planned activities are explained in detail, as well as the potential for environmental impacts. Positive impacts include local employment, and the purchase and use of local goods and services.

An environmental contingency plan is created in view of the potential for accidental spills of fuel, lubricants, and other substances used in operations, as well as the prevention and mitigation of possible employee accidents. No environmental incidents have been reported since exploration works commenced.

25 Interpretation and conclusions

25.1 Property and title

The Qualified Persons are not aware of any significant factors and risks that may affect access, title, or the right or ability to perform proposed work programs at the Project.

25.2 Mineral Resources

The Qualified Person notes that the procedures for drilling, sampling, sample preparation, and analyses are appropriate for lithium brine projects, and estimation of Mineral Resources.

Inferred Mineral Resources total 86 kt at 86 mg/L lithium.

The classification of Mineral Resources conforms to CIM Definitions, and Mineral Resources are reported in accordance with NI 43-101.

The Mineral Resources were estimated as of 18 September 2023, constrained within conceptual mineralised domain wireframes. The estimate assumes no process loss, and RPEEE have been considered as follows:

- Capital expenditure of USD$95-115m for a 10,000 tpa processing plant.
- Operating expenditure of USD$2,500-3,000 per tonne.
- >95% lithium recovery from brines.
- 99.5% battery grade lithium carbonate is able to be produced from LiCl base product.
- Revenue from the Project (at 23 August 2022 lithium prices) in the order of USD$650m.

The Mineral Resources have been estimated in conformity with CIM Guidelines, and are reported in accordance with NI 43-101.

Risks associated with the MRE are:

- Minor risks associated with modelled contacts.
- The current spatial distribution of brine samples is insufficient for statistical analysis of the hydrochemistry, hence variography was not conducted.
- Future application of more advanced, project specific extraction, processing, recovery, economic, and other factors in developing a more robust RPEEE assessment may affect the MRE tonnages, and grades.

25.3 Caution to readers

This Technical Report contains forward looking information related to the Project. There are many factors that could cause actual results to differ materially from any conclusions set out in this Technical Report. Some of the material factors include changes to regulatory framework development and issues with approval of exploitation licenses, differences from the assumptions made in this report regarding concentration assays, drilling results, pumping rates, porosity and transmissivity of aquifers, and other circumstances such that the project proceeds, as described in this Technical Report. Potential risks associated with the Project are typical for lithium projects, and may include, but are not limited to laboratory error, uncertainty in hydrogeologic conceptualisation, permitting and legal delays, and logistical issues associated with mining in remote areas. For this reason, readers should read this summary solely in the context of the full Technical Report and after reading all other items of this Technical Report. The purpose of this Technical Report is to describe the Project and the exploration work completed to date.

Based on the recent results from exploration drilling and geophysical surveys, the aquifer underlying the Project is saturated with a concentrated lithium brine. The upper part of the aquifer consists of halite, and the lower part of the aquifer is mostly clastic sands and gravels. In the southern part of the concession close to the edges of the basin, the aquifer may well be thinner, and the brine chemistry contains less lithium. It appears that there is some dilution of the brine with fresh water towards the edges of the basin in the upper part of the aquifer, where fresh water recharge occurs. Larger lithium concentrations occur in the northern part of the concession, and with increasing depth. The majority of the samples obtained to date contained lithium concentrations consistently in excess of approximately 130 mg/L below a depth of approximately 50 mbls. The highest reported lithium concentration was 161 mg/L in well INCA-21-05R.

In the northern part of the concession where well INCA-21-05R is located, there is a deeper sequence of clastic sediments below the halite as compared to the southern part of the concession. Geophysical surveys completed to date show that the aquifer thickens to the north, and to the east. Drilling at well INCA-21-05R confirms this. It is important to note that, although bedrock was not reported to be encountered during exploration well drilling, there is some uncertainty regarding this issue in the wells located in the south part of the concession. The geophysical surveys completed to date support the idea that relatively shallow bedrock likely occurs in the southern part of the concession, whether or not it was truly encountered during exploration well drilling or not.

26 Recommendations

Based on the results of exploration work conducted to date, additional exploration activities are justified to better characterise the sub-surface brine within the concession. To date, the upper part of the aquifer has been drilled and tested. Additional drilling and testing will allow for expansion of the resource laterally, throughout the concession area, and deeper to basement.

Due to the fact that exploration well INCA-21- 05R was terminated in permeable sediments, it is recommended that three additional diamond cored exploration wells be drilled to a depth of at least 250 mbls, and potentially deeper if favourable aquifer conditions are encountered at this depth. Depth-specific sampling using an inflatable packer system should be conducted at regular intervals to better define the brine chemistry throughout the entire aquifer.

Laboratory analysis of core for drainable porosity values (specific yield), hydraulic conductivity, and particle size distribution should be conducted.

Additionally, downhole BMR surveys should be conducted in the proposed diamond cored exploration wells to obtain vertical profiles of specific yield. BMR results can be reconciled against core porosity results to improve estimates of specific yield, and accessible brine. Opportunities to undertake BMR surveys in existing cased exploration wells should also be explored. Preliminary estimates of aquifer hydraulic conductivity should also be estimated by undertaking slug tests on cased exploration wells, and/or via airlift and recovery tests during or post-drilling.

In addition, it is recommended that two pumpable wells be drilled, and constructed to depths to be determined based on results of the proposed diamond cored exploration wells. Pumping tests should be conducted in the two pumpable wells to demonstrate bore yields, and aquifer hydraulic parameters (hydraulic conductivity and storativity), which are critical parameters for the development of a future numerical groundwater model, and also play a vital role in determining the number of production bores required.

For the proposed three corehole program, and two well program, costs (excluding tax, in USD) can be summarised as follows:

- Roads and drilling platforms: USD$170,000.
- Environmental studies: USD$40,000.
- Drilling and testing: USD$1,900,000.
- Field monitoring and supervision: USD$240,000.
- Reporting: USD$70,000.

Total estimated cost of approximately USD$2,420,000 (plus taxes), or CAD$3,265,00 (plus taxes) for the proposed three cored exploration well, and two pumpable well exploration program.

If the results of the proposed exploration program are favourable and support feasibility of a lithium extraction project, additional studies/work should include the following:

- Fresh water study to identify a potential sustainable fresh water supply.
- Further development of the existing hydrogeological model, including additional refinement of hydrogeological units critical to aquifer definition.
- Additional studies in support of the development of a PEA study.
- Additional studies in support of a PFS, or FS to support the estimation and reporting of an initial Mineral Reserve for the Project.

27 References

Alonso, R.N., 1999. Los salares de la Puna y sus recursos evaporíticos, Jujuy, Salta y Catamarca. En: Zappettini, E. (Ed.), Recursos Minerales de la República Argentina. Instituto de Geología y Recursos Minerales, SEGEMAR, Anales 35: 1907–1922.

Alonso, R.N., Gutíerrez, R. y Viramonte, J., 1984. Puna Austral bases para el subprovincialismo geológico de la Puna Argentina. Actas IX Congreso Geológico Argentino, Actas1: 43-63, Bariloche.

Alonso, R. and Rojas, W., 2011. Technical Report Salar de Incahuasi, Salta Argentina. Report prepared for Lithea Inc.

Bradley, D., Munk, L., Jochens, H., Hynek, S., Labay, K., 2013. A Preliminary Deposit Model for Lithium Brines. United States Geological Survey (USGS) professional paper 1006. 1-6. https://pubs.usgs.gov/of/2013/1006/OF13-1006.pdf.

Canadian Institute of Mining, Metallurgy and Petroleum (CIM), 2003. Estimation of Mineral Resources and Mineral Reserves, Best Practice Guidelines: Canadian Institute of Mining, Metallurgy and Petroleum, 23 November 2003.

CIM, 2010. Definition Standards on Mineral Resources and Mineral Reserves, Resources and Reserves Definitions: Canadian Institute of Mining, Metallurgy and Petroleum, 27 November 2010.

CIM, 2012. Best Practice Guidelines for Resource and Reserve Estimation for Lithium Brines. 1 November 2012.

Castañeda-Nordman, R., 2022. Legal Audit Report for Mining License Candela II, File 23,262. Unpublished legal document prepared for Spey Resources Corp.

Coira, B., Mahlburg, K., Perez, B., Woll, B. Hanning, M. and Flores, P., 1999. Magmatic sources and tectonic setting of Gondwana margin Ordovician magmas, northern puna of Argentina and Chile. En Ramos, V. A. and Keppie, J. D. (Eds.): Laurentia-Gondwana Connections before Pangea. Geological Society of America Special Paper 336, 145-170. Boulder, Colorado.

Galliski, M., Arias, J.E., Coira B. y Fuertes A., 1987. Reconocimiento Geotérmico del Área Socompa, Provincia de Salta, República Argentina. Revista del Instituto de Geología y Minería, Universidad Nacional de Jujuy, 7: 37-53. Jujuy.

Ganam C.E., 2021. Informe de Impacto Ambiental – Perforación de Pozos Exploratorios Mina Candela II-Expediente N°23.262. Yacones S.R.L. Unpublished.

Gobierno de la Provincia de Salta, Ministerio de Ambiente y Producción Sustentable, Secretaría de Ambiente 2016. Resolución 428, *Plan Integral de Manejo y Desarrollo. Reserva Natural de la Vida Silvestre Laguna Socompa y Refugio Provincial de La Vida Silvestre Ojos de Mar de Tolar Grande*.

Koukharsky, M., 1969. Perfiles geológicos en los ríos Cazadero Grande y Tres Quebradas y en el Camino de Los Patos. Provincia de Catamarca. Plan NOA I. Geológico – Minero. Trabajo inédito, 24 pp. Tucumán.

Koukharsky, M., 1988. Geología de la Puna en el sector que media entre el cerro Socompa y el cerro TulTul, provincia de Salta, Facultad de Ciencias Exactas y Naturales. Universidad de Buenos Aires. Tesis doctoral N° 2166, inédita. Buenos Aires.

Koukharsky, M., and Lanes, S., 1994. Las rocas graníticas paleozoicos de la sierra de Taca Taca, Puna Salteña (24º10´-24º30´S) Argentina. VII Congreso Geológico Chileno, Actas II: 1071-1075.

Mendez, V., 1975. Estructuras de las provincias de Jujuy y Salta a partir del meridiano 65 30’ Oeste hasta el límite con las Repúblicas de Bolivia y Chile. Revista de la Asociación Geológica Argentina, 29 (4): 391-424. Buenos Aires.

Montgomery and Associates Consultores Limitada (MACL), 2022. Technical Report for the Incahuasi Salar Lithium Concession, Salta Province, Argentina, 85 pages.

Resolución 428, 2016. Plan Integral de Manejo y Desarrollo. Reserva Natural de la Vida Silvestre Laguna Socompa y Refugio Provincial de La Vida Silvestre Ojos de Mar de Tolar Grande. Gobierno de la Provincia de Salta, Ministerio de Ambiente y Producción Sustentable, Secretaría de Ambiente.

Segemar, 2008. Hoja Geologica 2569-II Socompa, Salta. Scale 1:250,000.

SouthernRock Geophysics S.A.(SRG), 2023(a). Salar De Incahuasi – Salta – Argentina, Magneto-Telluric Survey, Survey Line Plan. Scale 1:20,000.

Spey Resources Corp. (Spey), 2023. Projects – Incahuasi Salar – Key Features, viewed 20 September 2023, <https://www.speyresources.ca/incahuasi-salar>.

SRG, 2023(b). Candela II – Incahuasi Magneto-Telluric Survey Line L7309700. Scale 1:20,000.

SRG, 2023(c). Candela II – Incahuasi Magneto-Telluric Survey Line L7310850. Scale 1:20,000.

SRG, 2023(d). Candela II – Incahuasi Magneto-Telluric Survey Line L7312200. Scale 1:20,000.

Turner, J.C., 1972. Puna. En Leanza, A.F. (ed.) Academia Nacional de Ciencias, Primer Simposio de Geología Regional Argentina: 91-116, Córdoba.

Quantec Geoscience Limited (Quantec), 2021. Report on TEM Survey Conducted at Candela II Incahuasi Salar, 24 pages unpublished.

Zappettini, E. O. y Blasco, G., 2001. Hoja Geológica 2569-II, Socompa. Provincia de Salta. Instituto de Geología y Recursos Minerales, Servicio Geológico Minero Argentino. Boletín 260, 62 pages. Buenos Aires.

About Us

WSP is one of the world's leading professional services consulting firms. We are dedicated to our local communities and propelled by international brainpower. We are technical experts and strategic advisors including engineers, technicians, scientists, planners, surveyors and environmental specialists, as well as other design, program and construction management professionals. We design lasting solutions in the Transport & Water, Property & Buildings, Earth & Environment, and Mining & Power sector as well as offering strategic Advisory, Engagement & Digital services. With approximately 6,100 talented people in more than 50 offices in Australia and New Zealand, we engineer future ready projects that will help societies grow for lifetimes to come. www.wsp.com/en-au/.

wsp