

## LITHIUM EXPLORATION UPDATE

### Highlights

- **The Permit of Exploration (POE) application to allow drilling and bulk sampling at the Big Sandy Lithium Project in Arizona, USA, will conclude 10 July 2021. The Company is aware of comments on the application but will await confirmation from the Bureau of Land Management (BLM), the U.S. management agency for the federal land at Big Sandy.**
- **A strategic review of the Lordsburg Lithium Brine Project in New Mexico, USA has commenced and geological work including geophysical surveys are being considered.**
- **Hazen is continuing with bench scale test work on lithium mineralised material from the Big Sandy Project with attention to beneficiation of the ore prior to leaching. Preliminary beneficiation results indicate a possible 1.5x to 2x concentration with 88% of the lithium and only 0.6% of the carbonate reporting in 48% of the original mass.**
- **Bradda Head Holdings Limited, a UK based group seeking to list on AIM, have released information in regard to overstaking of claims held by Hawkstone at the Big Sandy Project. The Company believes the Big Sandy mining claims are valid and defensible and will vigorously defend if any legal action is taken.**
- **Hawkstone to change its name to Arizona Lithium Ltd to reflect the shift in strategic direction.**

Hawkstone Mining Limited (**ASX:HWK**) (“**Hawkstone**”, the “**Company**”) wishes to provide a lithium exploration update on its activities in the states of Arizona and New Mexico, USA. The Permit of Exploration (**POE**) that includes 145 exploration holes and a bulk sample at the Company’s Big Sandy Lithium Project in Arizona is awaiting BLM approval. The public comment period will end on 10 July 2021 and the Company will communicate with the BLM shortly thereafter in regard to any comments received. The Company believes that comments have been lodged, but the nature of those comments are not known at this stage and the Company expects to be provided with additional information once the BLM has had the opportunity to consider them.

The Company encourages community comments and mutually beneficial outcomes for all stakeholders. The Company is very confident that a drilling program can be completed without any significant or material environmental impact and taking into account input from all stakeholders.

The Big Sandy Project, as a very shallow mineralised lithium resource and with the excellent available infrastructure, has the potential to develop into a lithium project with a very low environmental footprint.

A strategic review of the Lordsburg Lithium Brine Project has commenced. The geological team will consider the next steps for exploration at this exciting opportunity that has remained untested for lithium brines.

The Project lies 15km to the southwest of the town of Lordsburg, New Mexico within the playa lake system at the northernmost end of the Animas Valley. The basin is an elongated sediment filled graben (valley) surrounded by tertiary volcanic rocks, a similar setting to the Clayton Valley the only producing Lithium project in the USA.

Stock wells on the eastern Animas basin margin, south of the Project, intersected steam and hot springs essential in the development of lithium bearing brines. A 1954 US Geologic Survey map shows a windmill just west of the project, on western basin margin, labelled as a "salt well" demonstrating the presence of highly saline subterranean water.

Previous surface sampling on the playa has returned values up to 160 ppm Li<sup>1</sup>.

An exploration program consisting of CSAMT (Controlled Source Audio-frequency Magnetotellurics) in conjunction with passive seismics will be utilised to map potentially lithium mineralised brines prior to drill testing. Similar geophysical methods have been used with success by Galan Lithium Limited on their Hombre Muerto Project in Argentina<sup>2</sup>.

Bradda Head Holdings Limited has staked junior BLM claims over the senior BLM claims that are included in the Big Sandy Lithium Project and have recently released information for listing on AIM noting that they believe there are "issues" with the staking by the Company. The Company believes that it has valid defences against the comments and any claims by Bradda Head Holdings Limited and will vigorously defend any legal action, if taken, to protect its 100% ownership of the Big Sandy Project.

This announcement has been authorised for release by the Board of Hawkstone Mining Limited.

**FOR FURTHER INFORMATION PLEASE CONTACT:**

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<sup>1</sup> Hawkstone Mining Ltd, Announcement June 26, 2018: Hawkstone Agrees to Revised Terms to Acquire Two Strategic Lithium Projects in the USA

<sup>2</sup> Galan Lithium Ltd, Announcement October 4, 2018: Geophysical Results Define Brine Potential at Candelas Project, Hombre Muerto