



QUARTERLY ACTIVITIES REPORT

FOR THE PERIOD ENDING 31 MARCH 2026

Patagonia Lithium Limited (**Patagonia** or **Company**) (**ASX:PL3**) presents its Quarterly Report for the three months ended 31 March 2026.

ASX:PL3

Issued capital

Shares

207,065,540

Options unquoted

23,425,000

Rights unquoted

25,000,000

Directors

Phillip Thomas

Rick Anthon

Pablo Tarantini

Company

Secretary

Jarek Kopias

Projects

Formentera/Cilon

Tomas III

Brazil Nb REE

Next Milestones

Formentera/Cilon

- Well 7, 600m

- Seismic survey

- Formentera

 - MRE estimate

 - update

Office

Suite 66, 2-4

Cochranes Road,

Moorabbin VIC

3189

Highlights

Argentina

- On 15 January 26, we finished well 25-05. The highest assay was 219ppm Lithium, however porosity for the core tests **was outstanding** with 28.7% total porosity and Yield Sy of 14.57% at 216m depth.
- On 14 January 2026, well six JAM 26-06 commenced and reached a depth of 488m depth. The highest assay was 412ppm lithium which will increase our project average of 296ppm.
- A 72 hour pump test recorded flows at **3,200L/hour** and pumped 225,350L in the 72 hours. The BMR gamma survey explained why the pump rate was so strong, recording an average porosity across the entire 462m log of 22% and a **maximum of 39%!**
- A passive seismic survey to delineate the basement under the aquifers commenced during the quarter and was completed on 16 April 2026.
- 27,950,000 shares were issued in February 2026 after a successful **\$2.79m capital raise** at \$0.10 per share.
- We embarked on a successful Facebook campaign which has attracted many new shareholders and introduced a **CEO Blog** to the website to provide more frequent updates and pictures.
- Substantial amount of work has been done on the bi-annual **Environmental Impact Statement** and is almost ready for final submission.
- Further demonstration lithium carbonate plant chemical engineering work has been done with **Ekosolve** Pty Ltd in Argentina and Singapore.

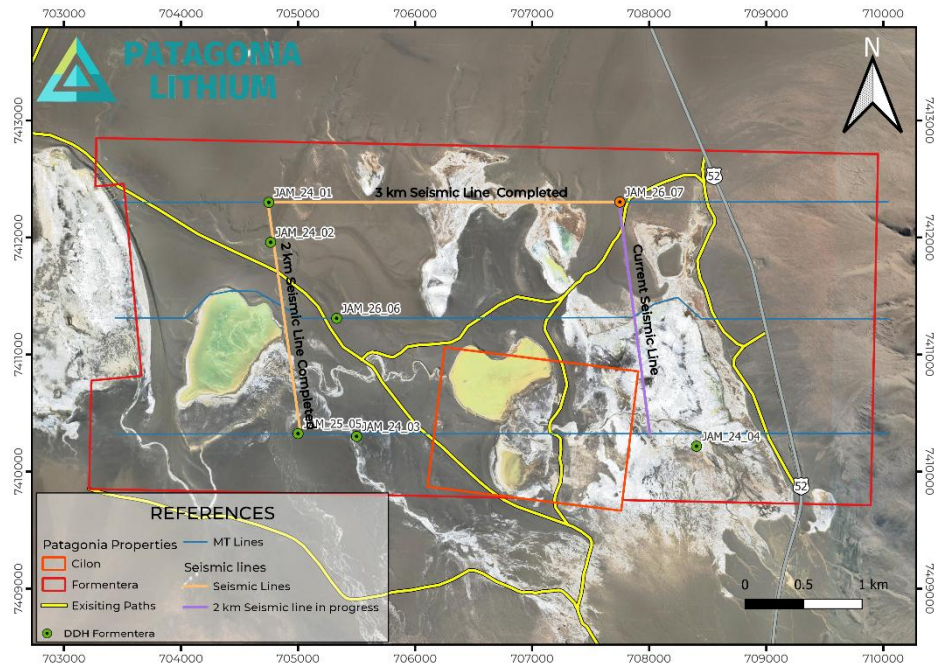


Figure 1. Well JAM 26-07 location and seismic line map

Brazil

- We are currently planning exploration in Brazil for surface and augur sampling on concession 830164/165, our first priority rare earth and niobium phosphate targets.
- No work was done in Brazil during the quarter exploring the rare earth elements identified on concession 830164, being discovered using satellite SW-IR with holmium used in strong magnets, lasers and as a neutron absorber in nuclear reactors, lutetium used in petroleum and laser industries and Yttrium oxides used in high performance ceramics and medical industries.
- As of April 2026, bulk industrial holmium oxide (HO_2O_3), 99%–99.9% purity) is priced around USD \$30–\$150/kg, with high-purity (99.99%) material ranging from \$100–\$500/kg. Northeast Asian market prices are approximately US\$81/kg. Laboratory-grade (1g–10g) is significantly higher, at approximately \$188 for 1g. Prices fluctuated in early 2026.

Corporate

- Cash balance at 31 March 2026 was \$3.4 million
- 27,950,000 ordinary shares and 13,975,000 attaching unlisted options issued in relation to the placement - 5,000,000 broker fee options to be issued subject to shareholder approval.
- Number of shares on issue are 207,065,540, and the top 20 shareholders account for 92% of shares on issue.

- Strategic partnership agreement signed with Ameerex Corporation and further detailed discussions have been held.
- Cygnet Capital supported the company with a successful capital raise.

SUMMARY

Executive Chairman Phillip Thomas on the **progress achieved** this quarter:

“This was a strong quarter for Patagonia Lithium, marked by meaningful progress in well porosity and lithium assays, pump tests and further work on the 1,000 tonne lithium carbonate demonstration plant. With a successful capital raise and workstreams well advanced, we remain firmly on track for the MRE upgrade in H1 2026. Importantly, we continue to plan the location of production wells as data comes to hand. 2026 will be a transformative year for Patagonia Lithium shareholders as we move toward construction of the production wells, demonstration plant and with a vastly improved lithium carbonate price, forward demand sentiment and market conditions for the lithium sector.”

EXPLORATION ACTIVITIES

Formentera/Cilon – Jujuy Province

The Company's concession covers 1,751 hectares (Has) or approx. 17.5 km². Cilon covers 200 Has and operated in the past as a borate mine where ulexite was mined. Sealed road access is excellent and there is a large lagoon to the west in the concession. The 52 National sealed highway runs past the project and the town of Jama is 10km away and Susques is 104km away.



Figure 2. Well six 72 hour pump test produced more than 225,000L of brine containing lithium assaying as high as 412ppm.

Well six location was a superior target in the main aquifer region and selected on the very low resistivity from the MT survey (refer ASX announcement 1 April 2026 “Formentera JAM26-06 Strong Flow Test Results”).

Upcoming Milestones

We have some significant milestones planned in the next quarter:

- Complete seismic survey dataset and interpretation
- Complete drilling and packer tests of well seven
- Complete Mineral Resource Estimate to include seismic and well seven
- Submit 1,000 tonne Li_2CO_3 demonstration plant application and hold UGAMP community/Jujuy mines dept expert meeting in **San Salvador de Jujuy**.

JAM-26-06

X: 705329.596

Y: 7411309.201

Elevation: 4086 masl



Formentera Project
WGS84 / UTM Zone 19S

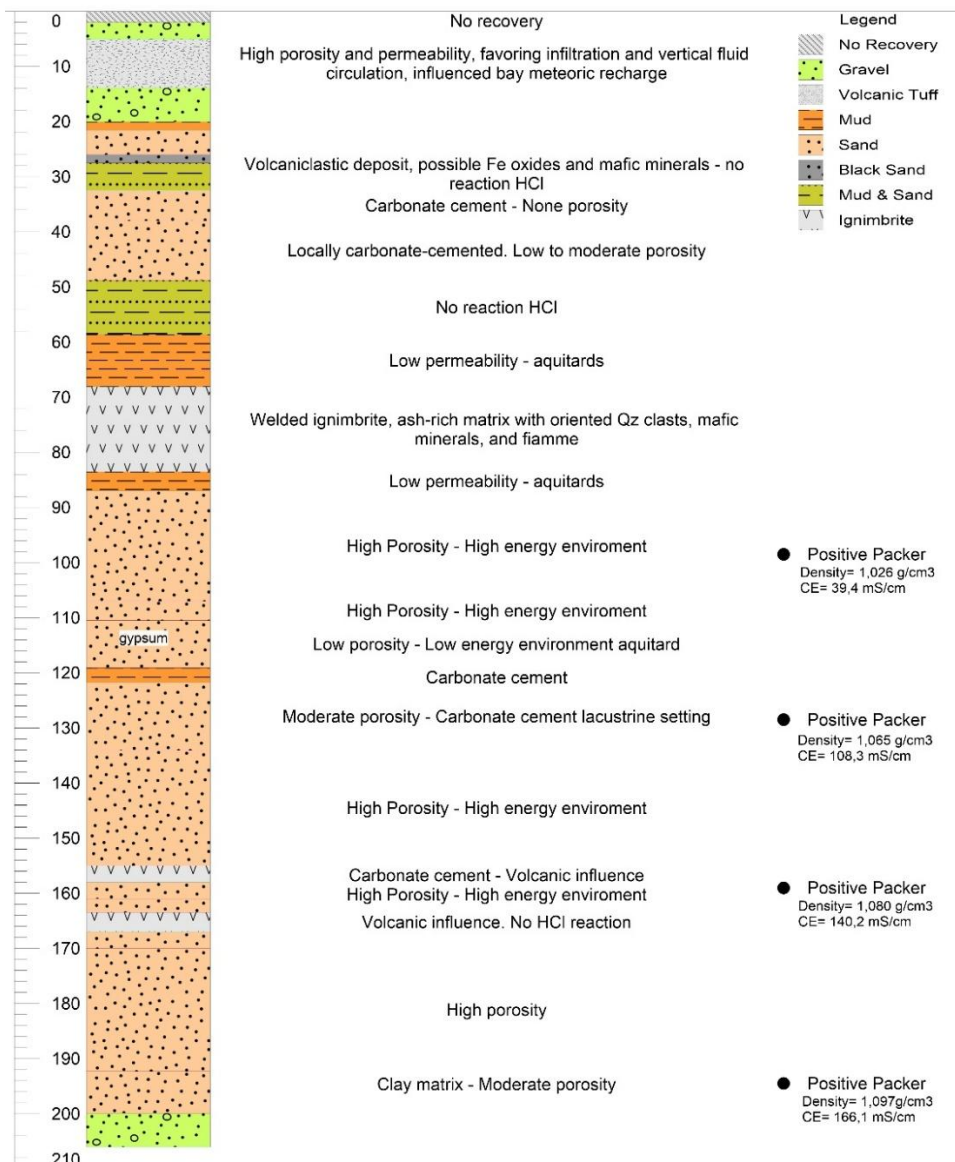


Figure 3. Drill log from well JAM 26-06 showing high porosity lithium intervals as high as 38% porosity and packer intervals successfully tested up to 412ppm lithium.

Well Seven

Well seven has been selected for low resistivity on MT Survey and on positive results expand the size of the aquifer by approximately 3km² with a drill hole in the far west corner of the project.



Figure 4. Core from (284m-287m): Unconsolidated, medium to coarse sand matrix, matrix-supported, with sub-angular clasts. Very high porosity from well six.

Tomas III – Incahuasi Salar

No further work was completed over the summer with attention on the Formentera Project.

Exploration In Brazil

The Company continues to plan its exploration efforts on our granted concessions with the key focus on 830/164-165 being the area closely located to Araxá rare earth anomaly. The **Araxá** apatite-niobium deposit, that is hosted by the Barreiro carbonatite-alkaline igneous complex, is situated ~6 km south of the city of Araxá, ~300 km west of Belo Horizonte in Minas Gerais, 410 km SSE of Brasilia the national capital. No work was completed this quarter in the field. December-February is usually the wettest months in Minas Gerais state.

CORPORATE

The attached Appendix 5B sets out the expenditure for the quarter. The amount of \$257k in exploration expenditure during the quarter was spent on drilling, seismic survey and supplies. There were no exploration activities undertaken in Brazil during the quarter. The amount of \$117k in item 6.1 of the Appendix 5B represents director

fees of \$115k paid to entities nominated by relevant directors and \$2k in rent paid to a director related entity.

TENEMENTS

Name	Location - Argentina	File No	Area Has
Formentera	Jujuy province	518 P2016	1752
Cilon	Jujuy Province	121 I 1993	199
Tomas III	Salta Province	24142	591

Location - Brazil

ID	CONCESSION	TITLE HOLDER	AREA (ha)	PHASE	DISTRICT	STATE
1	830151/2024	PI3 Brazil Mineracao Ltda	1.949,67	Granted	Ponto Dos Volantes, Monte Formoso	MG
2	830152/2024	PI3 Brazil Mineracao Ltda	1.955,16	Granted	Monte Formoso	MG
3	830153/2024	PI3 Brazil Mineracao Ltda	729,53	Granted	Monte Formoso	MG
4	830154/2024	PI3 Brazil Mineracao Ltda	1.981,26	Granted	Monte Formoso	MG
5	830155/2024	PI3 Brazil Mineracao Ltda	1.986,53	Granted	Joaíma, Monte Formoso	MG
6	830156/2024	PI3 Brazil Mineracao Ltda	1.602,09	Granted	Monte Formoso	MG
7	830157/2024	PI3 Brazil Mineracao Ltda	1.957,42	Granted	Monte Formoso	MG
8	830167/2024	PI3 Brazil Mineracao Ltda	606,89	Granted	Simonésia	MG
9	830169/2024	PI3 Brazil Mineracao Ltda	1.455,07	Granted	Santana Do Manhuaçu	MG
10	830170/2024	PI3 Brazil Mineracao Ltda	933,64	Granted	Santana Do Manhuaçu	MG
11	830171/2024	PI3 Brazil Mineracao Ltda	1.934,15	Granted	Teófilo Otoni	MG
12	830172/2024	PI3 Brazil Mineracao Ltda	1.780,24	Granted	Teófilo Otoni	MG
13	830173/2024	PI3 Brazil Mineracao Ltda	1.878,62	Granted	Teófilo Otoni	MG
14	830174/2024	PI3 Brazil Mineracao Ltda	1.971,27	Granted	Teófilo Otoni	MG
15	830176/2024	PI3 Brazil Mineracao Ltda	1.636,94	Granted	Teófilo Otoni	MG
16	830177/2024	PI3 Brazil Mineracao Ltda	1.087,78	Granted	Teófilo Otoni	MG
17	830178/2024	PI3 Brazil Mineracao Ltda	1.739,15	Granted	Água Boa	MG
18	830179/2024	PI3 Brazil Mineracao Ltda	1.913,61	Granted	Água Boa	MG
19	830.192/2024	PI3 Brazil Mineracao Ltda	1.910,28	Granted	Água Boa	MG
20	830.193/2024	PI3 Brazil Mineracao Ltda	1.910,28	Granted	Água Boa	MG
21	830.194/2024	PI3 Brazil Mineracao Ltda	1.916,94	Granted	Água Boa	MG
22	830.195/2024	PI3 Brazil Mineracao Ltda	1.684,16	Granted	Água Boa	MG
23	830.196/2024	PI3 Brazil Mineracao Ltda	1.963,49	Granted	Água Boa	MG
24	860.164/2024	PI3 Brazil Mineracao Ltda	1.997,03	Granted	Catalão e Ouvidor	GO
25	860.165/2024	PI3 Brazil Mineracao Ltda	1.265,20	Granted	Catalão e Ouvidor	GO

The Company's tenements are all 100% owned. There were no changes to tenements during the quarter.

Exploration related announcements during the March 2026 quarter (and up to the date of this report):

Formentera Lithium Drilling Reaches 335 metres	6 January 2026
Formentera Lithium Drilling Update	15 January 2026
Formentera Lithium Drilling Update	19 January 2026
Formentera Lithium Drilling Update	4 February 2026
Formentera Lithium Drilling Update	10 February 2026
Formentera Lithium Drilling Assay Update	24 March 2026
Formentera Strong Flow Pump Test Results	1 April 2026
Formentera Lithium Well 5 Porosity Results	7 April 2026
Outstanding Porosity Results from Formentera Lithium Well 6	9 April 2026

Source for holmium oxide pricing <https://en.institut-seltene-erden.de/aktuelle-preise-von-seltenen-erden> 17/04/2026.

Authorised for release by the Board of Patagonia Lithium Limited.

For further information please contact:

Phillip Thomas

Executive Chairman

Patagonia Lithium Ltd

E: phil@patagonialithium.com.au

Additional information is available at www.patagonialithium.com.au, x.com, linkedin, instagram and facebook as well as updates on Youtube.

About Patagonia Lithium Ltd

Patagonia Lithium has **two major lithium brine projects** – Formentera/Cilon in Salar de Jama, Jujuy province covering 19,500 has and Tomas III at Incahuasi Salar covering 580 Has in Salta Province of northern Argentina in the declared lithium triangle. In Brazil the Company has been granted five exploration concession packages **41,746 ha** of concessions where the company is exploring for **ionic REE clays, Niobium, Antimony and Lithium in pegmatites**. The Company has staked next door to the largest Niobium producer (CMOC) in Brazil in Goiás state with 10,024 tonnes per annum of Niobium production.

Since listing on 31 March 2023, surface sampling and MT geophysics have been completed, drill holes JAM-24-01, JAM-24-02, JAM-24-03 and JAM-24-04 completed. Progress to date has been exceptional as measured by lithium assays and pump tests. The MT Geophysics at Tomas III on Incahuasi salar is very prospective. In July 2023, a 10 drill hole drill program was approved for Formentera and a three drill hole program for Cilon. Samples as **high as 1,122 ppm Li** (2 June 2023 announcement) were recorded at Formentera and a Lithium value of **591 ppm in drill hole JAM-24-01** (Outstanding Assay Results from First Drilling in Argentina released on 3 May 2024). Very low resistivities were recorded to more than 1 km depth during the MT Geophysics survey at Formentera. On 14 July 2025 an upgraded Mineral Resource Estimate was released with **551,000 tonnes LCE**.

The Company confirms it is not aware of any new information or data that materially affects the information cross referenced in this announcement and all material assumptions and technical parameters underpinning the MRE (lodged on 14 July 2025 as "Lithium Carbonate Mineral Resource increased by 319%") continue to apply and have not materially changed. The LCE MRE of 551,400t LCE @ 294mg/L is comprised of 14,800t LCE @ 393mg/L Indicated MRE and 536,600t LCE @ 292mg/L Inferred MRE. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original announcements.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Patagonia Lithium Limited

ABN

37 654 004 403

Quarter ended ("current quarter")

31 March 2026

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(122)	(122)
(e) administration and corporate costs	(383)	(383)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	20	20
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other - payment of indirect tax in Argentina mainly from exploration costs	-	-
1.9 Net cash from / (used in) operating activities	(485)	(485)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(257)	(257)
(e) investments	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(257)	(257)

3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	2,795	2,795
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(176)	(176)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	2,619	2,619

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	1,552	1,552
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(485)	(485)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(257)	(257)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	2,619	2,619

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(1)	(1)
4.6	Cash and cash equivalents at end of period	3,428	3,428

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3,428	552
5.2	Call deposits	-	1,000
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,428	1,552

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	117
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

6.1 Relates to payment of directors' fees totalling \$115,000 and rent paid to a director related entity totalling \$2,000.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	All borrowings and convertible notes were repaid during the quarter.	

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(485)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(257)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(742)
8.4 Cash and cash equivalents at quarter end (item 4.6)	3,428
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	3,428
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	4.6
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 22 April 2026

Authorised by: Phillip Thomas

Executive Chairman

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.