

CORPORATE ANNOUNCEMENT

30 SEPTEMBER

2022

Chariot announces transaction to sell the Horizon Project to Pan American Energy Corp. for up to US\$15 million (est. A\$23.2m¹) in cash and stock-based consideration

HIGHLIGHTS

- Chariot through FMSL, and FMSL's wholly owned subsidiary, Horizon Lithium LLC, has entered into an Option Agreement with Pan American granting Pan American the right to acquire a 100% interest in the Horizon Project
- If Pan American exercises the option, it would be required to pay Horizon Lithium LLC US\$10 million in cash and stock, payable in stages over 24 months from receiving drill permits
- Horizon Lithium LLC may receive additional consideration of US\$5 million upon Pan American achieving certain exploration milestones at the Horizon Project
- The transaction further validates the quality of Chariot's core portfolio of lithium assets in the United States of America
- Pan American is required to pay US\$250,000 in cash and issue Common Shares with a value of US\$2,000,000 upon execution of the Option Agreement

Chariot Corporation Ltd ("**Chariot**" or "**the Company**") and FMS Lithium Corporation ("**FMSL**"), are pleased to announce that Horizon Lithium LLC (the "**Optionor**"), a wholly-owned subsidiary of FMSL has entered into a Property Option Agreement (the "**Option Agreement**"), dated September 27, 2022, entitling Pan American Energy Corp. (CSE: PNRG) ("**Pan American**") to acquire 100% of the Horizon Lithium Project ("**Horizon Project**" or the "**Property**").

Chariot's CEO, Shanthar Pathamanathan commented:

"This transaction with Pan American Energy is the final step in our process to streamline our portfolio ahead of an ASX listing. Our process to monetize our non-core assets has been wildly successful with the completion of the transaction with Pan American and the transaction with

Clear Sky Lithium Corp. in relation to the Halo Project. These transactions may generate total combined proceeds of up to A\$27.1 million¹, which is more than 30 times our costs borne in relation to these projects, which were acquired only in early 2022. We can now rapidly advance our IPO and focus on our core portfolio of assets, in the USA. We will disclose more on our discovery of large spodumene bearing outcrops in the USA, which gives rise to our newest push into hard rock lithium in the USA, and on our IPO plans, in the coming weeks."

Pursuant to the terms of the Option Agreement, Pan American has the option to acquire a 100% interest in the Property from the Optionor, in consideration for completing a series of cash payments and issuances of common shares ("**Common Shares**") in accordance with the following schedule:

Timeline	Cash Payments	Common Share Issuances*	Total Consideration
Upon signing	US\$250,000	US\$2,000,000	US\$2,250,000
12 months from receiving drill permits	US\$250,000	US\$3,000,000	US\$3,250,000
24 months from receiving drill permits	US\$500,000	US\$4,000,000	US\$4,500,000
Milestone Issuance (A)	-	US\$1,250,000	US\$1,250,000
Milestone Issuance (B)	-	US\$3,750,000	US\$3,750,000
Total Payments (inc. Milestone Issuances)	US\$1,000,000	US\$14,000,000	US\$15,000,000

** Common Shares to be valued based on the greater of the 20-day volume-weighted average price ("**VWAP**") of the Common Shares prior to the issuance of such Common Shares and the lowest price permissible pursuant to the policies of the exchanges(s) on which the Common Shares are then listed.*

In addition, if during the period beginning on September 27, 2022 (the "**Effective Date**") and ending on the date that is five (5) years from the Effective Date, (A) Pan American completes 10 consecutive drill holes on the Property, which drill holes are comprised of at least 400 meters of drilling and which drill holes have an average grade across the cumulative core of such drill holes of at least 750 parts per million lithium, Pan American shall issue an additional US\$1,250,000 worth of Common Shares, and (B) if Pan American publicly discloses a National Instrument 43-101 compliant technical report declaring a mineral resource estimate on the Property containing inferred mineral resources of 2 million tonnes or greater of lithium carbonate equivalent, Pan American shall issue an additional US\$3,750,000 worth of Common Shares, in each case such Common Shares being valued based on the greater of the 20-day VWAP of the Common Shares prior to the issuance of such Common Shares and the lowest price permissible pursuant to the policies of the exchange(s) on which the Common Shares are then listed.

Notes:

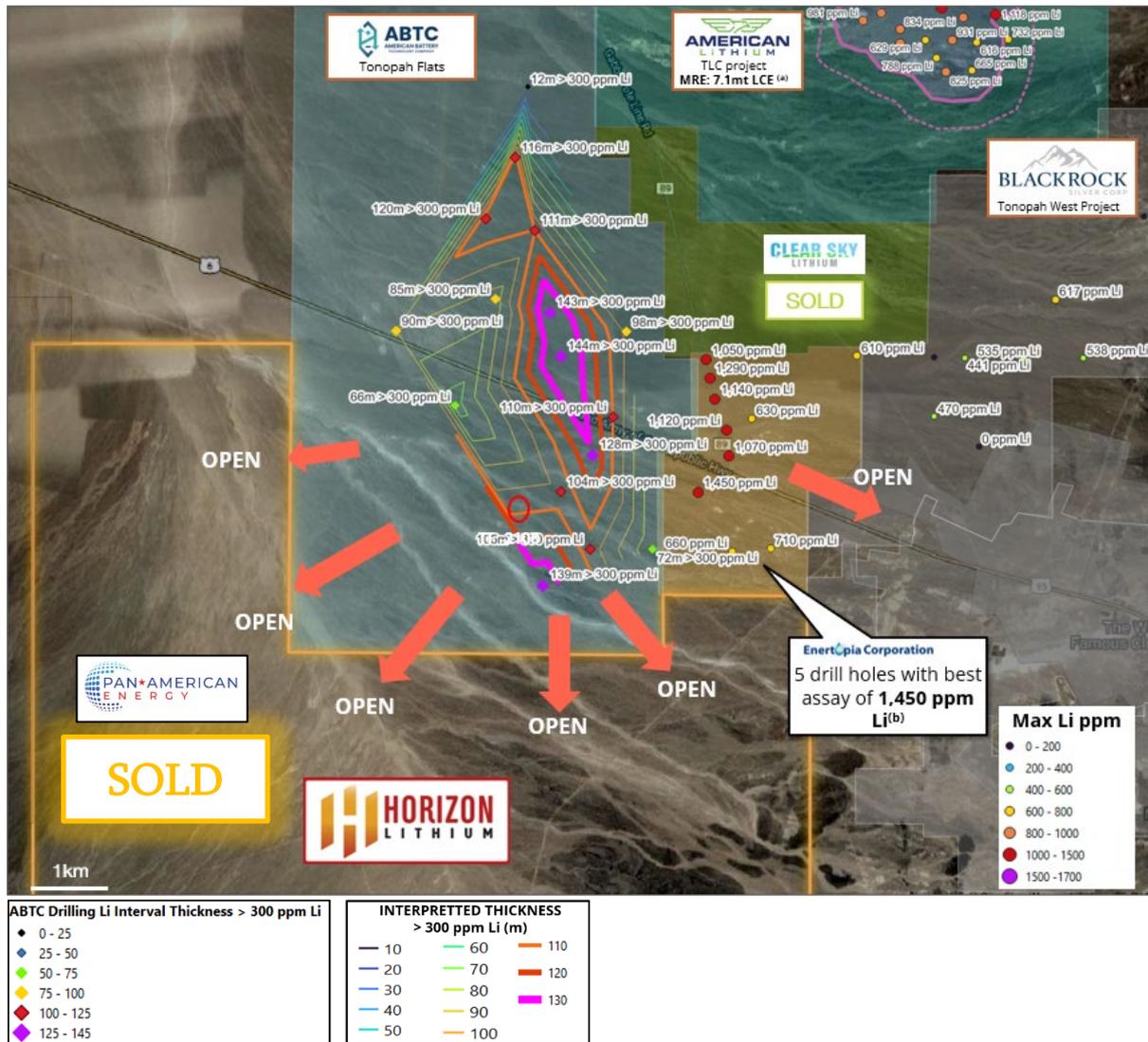
1. Assumes an average exchange rate over the course of the payments of AUDUSD: 0.6469

Horizon Lithium Project

The Horizon Project is located in Esmeralda County, Nevada, USA and consists of 839 filed lode claims encompassing 7,015 hectares of land considered prospective for claystone hosted lithium mineralisation. The Horizon project is located 13 km SW of American Lithium’s TLC Project (“**TLC project**”) (MRE: 7.1mt LCE²) and is contiguous to the American Battery Technology Company (“**ABTC**”) Tonopah Flat’s project, Enertopia Corporation (“**Enertopia**”) West Tonopah lithium project, and Auroch Minerals Lone Mountain prospect.

The Horizon Project is believed to be underlain by the same geologic formation that hosts the TLC project. Recent RC drilling from neighbouring properties have reported spectacular assay results and indicate a continuous lithium mineralised zone up to 145m thick with grades reaching 1,700 ppm Li. All drillholes by Enertopia and ABTC terminated in lithium mineralisation and the deposit is believed to be open laterally and at depth.

Horizon Lithium Project



Notes:

- American Lithium uses a 400 ppm Li cut-off grade for the TLC Lithium Project mineral resource

The Pan American announcement can be found here: [link](#)

Authorised on Behalf of the Directors.

Shanthar Pathmanathan
Chief Executive Officer
Chariot Corporation Ltd

About Chariot

Chariot is a lithium exploration company with a global portfolio of lithium exploration assets, with a focus on the United States of America, Africa and Western Australia.

Chariot's strategy is to build a global lithium portfolio with Tier 1 potential that will establish one of the premier land-banks of lithium assets early in the industry's life cycle.

Important Notice

Statements in this announcement are made only as of the date of this announcement unless otherwise stated and the information in this announcement remains subject to change without notice.

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This announcement may contain some references to forecasts, estimates, assumptions and other forward-looking statements. Although the Company believes that its expectations, estimates and projected outcomes are based on reasonable assumptions, it can give no assurance that they will be achieved.



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