DISCOVERY
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ASX Announcement

17 April 2023

HOA SIGNED FOR CANADIAN LITHIUM PROJECTS
LOCATED IN PROSPECTIVE JAMES BAY LITHIUM DISTRICT

HIGHLIGHTS

- **Executed HOA for exclusive option to acquire three lithium projects in prospective lithium district of James Bay, Quebec**
  - ***Mia Adjacent Lithium Project – 120km² project area, adjacent to Mia-1 & 2 lithium prospects, with historically mapped pegmatites***
  - ***Lac C Lithium Project – 22km² project area, located SW of Winsome Resources Cancet Lithium Project, with pegmatite outcrops***
  - ***Corvette East Lithium Project – 40km² project area, located 18km east of Patriot Battery Metals Corvette Lithium Project, with multiple pegmatite outcrops***
- **Strategic ~182km² lithium landholding in highly prospective James Bay region in Quebec Province**
- **All three projects have had historical fieldworks conducted by Quebec Ministry of Energy and Natural Resources**

Discovery Alaska Limited (ASX: DAF - "Discovery Alaska" or "Company") is pleased to advise that it has entered into three separate Heads of Agreements (each a "HOA") with 1Life Holdings Ltd ("1Life") for the exclusive rights to acquire 100% of the Mia Adjacent and/or Lac C and/or Corvette East Lithium Projects in Quebec Province, Canada.

The HOA's allow the Company to conduct due diligence works at each project for a 75 day period (from 4 March 2023), including exploration activities.

The Company intends to conduct due diligence works and commence exploration planning works to target prospective sites identified from historical activities, to develop a comprehensive lithium exploration program for the three projects during the 75 day due diligence period.

The three projects comprise a total of 354 tenement claims covering ~182km² within the highly prospective James Bay lithium district of Quebec.

Discovery Alaska Director, Jerko Zuvela said ***"The Company has identified these strategic and highly sought-after lithium prospective projects in the well-renowned James Bay lithium district. This is a significant opportunity to utilise our exploration and development experience to rapidly progress exploration works at these projects, all located within a Tier 1 jurisdiction close to significant lithium prospects."***

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PROJECT OVERVIEW

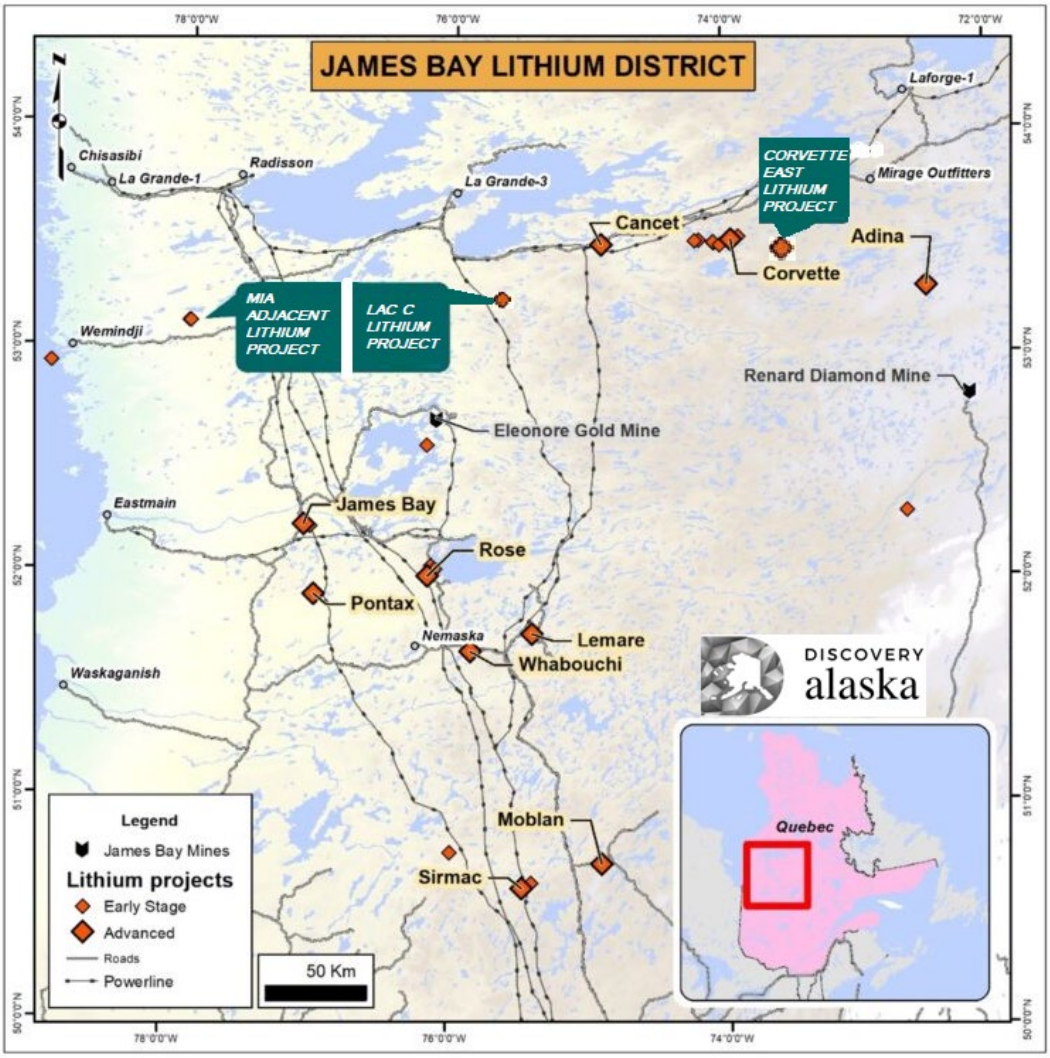

Figure 1. Location Map showing the Mia Adjacent, Lac C & Corvette East Lithium Projects

Mia Adjacent Lithium Project

The Mia Adjacent Lithium Project comprises 232 tenement claims covering 120km^2, located in the James Bay Region of Quebec, and adjacent to Q2 Metals Corp Mia and Stellar Lithium Projects.

The Project area contains consistent geology with the Mia Lithium Project area, and regionally, is part of the Yasinski Group lithology, characterized by narrow 'greenstone' volcanic and related sedimentary rocks. The 'greenstone' units and the Vieux Comptoir Granite are known to host spodumene pegmatites within the James Bay region. According to the Quebec Ministry of Energy and Natural Resources (QMERN), the project area contains historically mapped Vieux Comptoir pegmatite dykes.

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The majority of the spodumene-bearing LCT-style pegmatites in the James Bay region are hosted within greenstone-belt rock types.

The Vieux Comptoir Granitic Suite rocks are characterized by a usually pegmatitic texture, a granitic composition and the presence of biotite, muscovite, tourmaline and garnet, with local, hornblende, beryl or spodumene present.

According to data from the QMERN the project area contains historically mapped pegmatite outcrops similar to the nearby Mia Lithium Project, and further exploration has the potential to uncover a pegmatite trend. The project area remains to be assessed for the presence of lithium pegmatite. The Company is not able to confirm the QMERN data as it is awaiting completion of due diligence works.

Lac C Lithium Project

The Lac C Lithium Project comprises 43 tenement claims covering 22km^2, located south-west of the Winsome Resources Cancet Lithium Project and Patriot Battery Metals Corvette Lithium Project in the James Bay Region of Quebec.

The Project area indicates the presence of pegmatite source rocks of the Vieux Comptoir Granitic Suite prospective for lithium, which have been identified within the project area. Regionally, the Vieux Comptoir Granitic Suite is known to host K-feldspar granite phases in pegmatite form, which may host spodumene. The Vieux Comptoir granite correlates with spodumene pegmatites in the James Bay region of Quebec, thus the potential to host lithium mineralisation.

During a 1997 survey of the project area conducted by QMERN, field geologists found pegmatite outcrop. According to QMERN, the pegmatite is prospective for lithium and several other indicator minerals. During a 2017 survey program conducted by QMERN, geologists identified this area as a new lithium prospective zone. This favourable zone corresponds to an aureole 2-3km thick on the periphery of an intrusion of the Vieux Comptoir Granitic Suite. This zone is characterized by the presence of banded and enriched pegmatitic intrusions.

According to data from the QMERN the property contains historically mapped pegmatite outcrops and further exploration has the potential to uncover a pegmatite trend. The project area remains to be assessed for the presence of lithium pegmatite. The Company is not able to confirm the QMERN data as it is awaiting completion of due diligence works.

Corvette East Lithium Project

The Corvette East Lithium Project comprises 79 tenement claims covering 40km^2, located 18km east of Patriot Battery Metals Corvette Lithium Project in the James Bay Region of Quebec. The Project area contains historically documented white to pink pegmatite outcrops according to QMERN. The Corvette lithium trend is an emerging spodumene pegmatite district.

According to data from the QMERN the property contains historically mapped pegmatite outcrops and further exploration has the potential to uncover a pegmatite trend. The project area remains to be assessed for the presence of lithium pegmatite. The Company is not able to confirm the QMERN data as it is awaiting completion of due diligence works.

ACQUISITION TERMS

DAF has executed three Heads of Agreements with 1Life, whereby the Company has the exclusive right to enter into formal agreements to acquire a 100% interest in the Mia Adjacent and/or Lac C and/or Corvette East Lithium Projects in Quebec Province, Canada.

The HOA allows for DAF to conduct due diligence works covering the projects.

The material terms of the HOA's include:

Due diligence payment - DAF has paid 1Life the sum of C$25,000 per project (total of C$75,000) for the exclusive right to carry out due diligence for a period of up to 75 days (from 4 March 2023).

Upon completion of due diligence and if DAF elects to enter into any of the formal agreements, the following payments for each project are;

Mia Adjacent Lithium Project

- Upon signing formal agreement, a payment of C$150,000 cash.
- By 31 December 2023, a payment of C$150,000 cash.
- By 31 December 2024, a payment of C$1,000,000 cash or shares.
- By 31 December 2025, a payment of C$1,500,000 cash and/or shares.
- Award a 2% net smelter return royalty ("NSR") to 1Life, with a buy-back option over 1.75% (being ⅞ of total NSR) by payment of C$2,500,000 (in cash or shares at the Company's election).

Lac C Lithium Project

- Upon signing formal agreement, a payment of C$100,000 cash and a payment of C$75,000 in cash or shares.
- By 31 December 2023, a payment of C$150,000 cash.
- By 31 December 2024, a payment of C$350,000 cash and/or shares.
- By 31 December 2025, a payment of C$500,000 cash and/or shares.

- Award a 2% NSR to 1Life, with a buy-back option over 1.75% (being ⅞ of total NSR) by payment of C$2,500,000 (in cash or shares at the Company's election).

Corvette East Lithium Project

- Upon signing formal agreement, a payment of C$50,000 cash and a payment of C$50,000 in cash or shares.
- By 31 December 2023, a payment of C$100,000 cash.
- By 31 December 2024, a payment of C$500,000 cash and/or shares.
- By 31 December 2025, a payment of C$500,000 cash and/or shares.
- Award a 2% NSR to 1Life, with a buy-back option over 1.75% (being ⅞ of total NSR) by payment of C$2,500,000 (in cash or shares at the Company's election).

The Company may withdraw from any of the formal definitive agreement(s) and its interest in the Project(s) at any time without penalty prior to completion of any future milestone payments.

During the period between signing the formal definitive agreement(s) and the transfer of the Project tenement claims, the Company will have full rights to access, explore and carry out operations on the Projects.

Upon completion of the total payments, DAF will acquire a 100% ownership interest in the Project(s), of which the project tenements will be transferred to DAF.

The HOA's are also subject to other conditions including due diligence, completion of more definitive documentation and there being no material adverse event prior to completion.

Otherwise, the HOA contains terms typical to similar documents including provisions for warranties to be provided in the definitive documents by 1Life in respect of the project(s) to be acquired.

The Company intends to fund the initial payments and exploration works on the lithium projects from existing cash reserves.

As the Company's assessment of the projects develop and the Company makes decisions whether to proceed or not to proceed with individual projects, the Company will need to raise additional funds. Those funds may be raised from existing shareholders or new investors through capital raisings or other funding arrangements. Decisions on which method to use for future fund raising will depend on the prevailing circumstances and market conditions at the time those decisions are made.

The Company advises that other than the information contained in this announcement, there is no other information that the Company deems to be material that requires disclosure under Listing Rule 3.1 at this time.

The release of this announcement will lift the suspension of the Company's shares with immediate effect.

ENDS

This announcement has been authorised by the Board of Directors of Discovery Alaska Limited.

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The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Discovery Alaska confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Competent Person's Statement

The information contained in this ASX release relating to Exploration Results has been prepared by Mr Jerko Zuvela. Mr Zuvela is a Member of the Australasian Institute of Mining and Metallurgy, and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Zuvela is a Director of Discovery Alaska Ltd and consents to the inclusion in this announcement of this information in the form and context in which it appears. The information in this announcement is an accurate representation of the available data from the projects.

Forward Looking Statements: Statements regarding plans with respect to the Company's mineral properties are forward looking statements. There can be no assurance that the Company's plans for development of its mineral properties will proceed as expected. There can be no assurance that the Company will be able to confirm the presence of mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's mineral properties.
The Company confirms that it is not aware of any new information or data that materially affects the information included in the original or relevant market announcement. 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 market announcement.
Except where explicitly stated, this announcement contains references to prior exploration results, all of which have been cross-referenced to previous market announcements made by the Company.

ABOUT DISCOVERY ALASKA LIMITED

Discovery Alaska Limited (ASX: DAF) is an Australian company with a 100% interest in the Chulitna Project in Alaska, USA and exclusive rights to acquire a 100% interest in the Mia Adjacent, Lac C and/or Corvette East Lithium Projects in Quebec Province, Canada.

The Company has an experienced board and management team with a history of exploration, operational and corporate success.

DAF leverages the team's energy, technical and commercial acumen to execute the Company's mission - to maximize shareholder value through development of our assets.

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• No sampling undertaken by the Company.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• No drilling undertaken by the Company.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• No drilling undertaken by the Company.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or*	• No drilling undertaken by the Company.

Criteria	JORC Code explanation	Commentary
	costean, channel, etc) photography. • *The total length and percentage of the relevant intersections logged.*	
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• No sampling undertaken by the Company.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• No sampling undertaken by the Company.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• No drilling undertaken by the Company.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• No drilling undertaken by the Company. • The following projected coordinate grid systems are used in this report: NAD83 UTM Zone 18N.
Data spacing and	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral*	• No sampling undertaken by the Company.

Criteria	JORC Code explanation	Commentary
distribution	*Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• QMERN government geologists recorded and mapped outcrops throughout the license areas. It is unknown, however, whether these results are biased or unbiased.
Sample security	• *The measures taken to ensure sample security.*	• Not applicable.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits/reviews conducted.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• Discovery Alaska's 100% owned Chulitna Project tenements are located within the Chulitna Region of the South-Central Alaskan Range, Alaska. • The project area comprises 308 State mining claims (199.4km^2) – which have been officially registered by the Alaska Department of Natural Resources, and are located on State of Alaska public lands, are not subject to any Native Title claims, native lands, or native claimant groups. The Project lies approximately 250km north of Anchorage and close to the major Parks Highway, which runs mostly parallel to the State-owned Alaska railroad. • There are no known impediments to maintain the licences and operate in the area. • 308 State mining claims – ADL734566 (Chulitna 1) - ADL734873 (Chulitna 308). • The Quebec lithium project tenements are owned by 1Life Holdings Ltd. DAF has entered into HOA's on each of the projects to conduct due diligence works and determine whether to proceed toward formal agreements for the project tenements.
Exploration	• *Acknowledgment and appraisal of exploration by other parties.*	• Stated in body of announcement and referenced announcements.

Criteria	JORC Code explanation	Commentary
done by other parties		• No commercial lithium exploration undertaken. • Information on the project areas has been compiled from information provided by 1Life Holdings Ltd.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Refer to main body of announcement.

Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*
	  ○ *easting and northing of the drill hole collar*
	  ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*
	  ○ *dip and azimuth of the hole*
	  ○ *down hole length and interception depth*
	  ○ *hole length.*
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*
		• No drilling undertaken by the Company.

Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No drilling undertaken by the Company.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• No drilling undertaken by the Company.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• No drilling undertaken by the Company.

Criteria	JORC Code explanation	Commentary
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All relevant information and results reported.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• General information can be referenced from Quebec government data sources - https://sigeom.mines.gouv.qc.ca.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• The planned further work includes due diligence and review of historical data.