



QUARTERLY ACTIVITIES REPORT March 2023

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

The Company provides the following update for the Quarter;

Exploration Activities

Canadian Lithium Projects (Quebec, Canada) (option to acquire 100% interest)

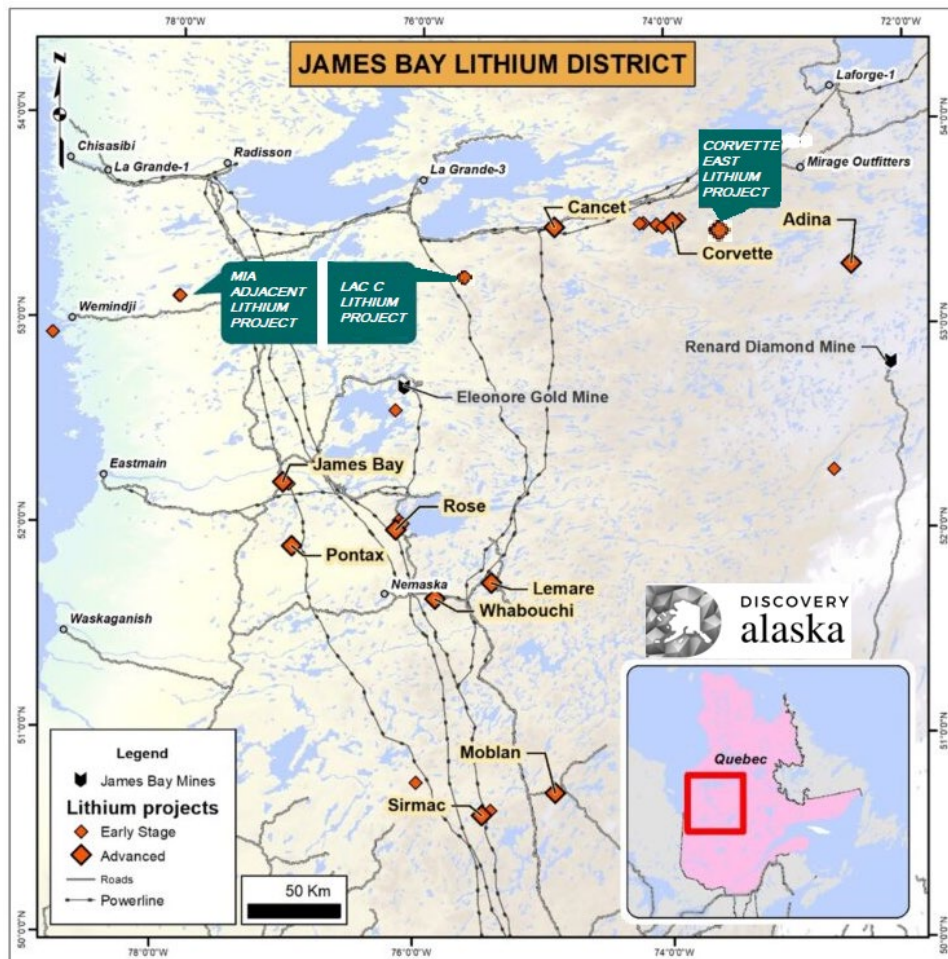


Figure 1. Location Map showing the Mia Adjacent, Lac C & Corvette East Lithium Projects



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During the quarter the Company 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 (including exploration activities) at each project for a 75 day period (from 4 March 2023).

The Company is currently conducting due diligence works and, as part of those works, conducting exploration planning works to target prospective sites identified from historical activities to develop a comprehensive lithium exploration program for the three projects.

The three projects comprise a total of 346 tenement claims covering ~182km² within the highly prospective James Bay lithium district of Quebec.

Mia Adjacent Lithium Project

The Mia Adjacent Lithium Project comprises 224 tenement claims covering 120km², 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.

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 22km², located south-west of the Winsome Resources Cancet Lithium Project and Patriot Battery Metals Corvette Lithium Project in the James Bay Region of Quebec.



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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 40km², 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).



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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 $\frac{7}{8}$ 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 $\frac{7}{8}$ 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 $\frac{7}{8}$ of total NSR) by payment of C\$2,500,000 (in cash or shares at the Company's election).



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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.

Chulitna Project (Alaska) (100% interest)

No exploration work was undertaken at Chulitna Project during the Quarter.

The Chulitna Project comprises 308 State mining claims covering 199.4km², is located on State of Alaska public lands, and is 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.

The Chulitna Project contains multiple prospect targets for varying commodities, including lithium, gold, silver, tin, copper & base metals.

The Company's prior recent works at the Chulitna Project were at the Coal Creek lithium prospect, and included receipt of assay results from historic drill core sampling confirming broad zones of lithium mineralisation, that is open at depth and along strike.

Significant lithium results from the laboratory analysis works include;



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- 16m @ 0.19% Li₂O from 126.5m in hole DDH06-43
- 10.97m @ 0.18% Li₂O from 84.7m in hole DDH06-44
- 27.65m @ 0.16% Li₂O from 169.6m in hole DDH06-43
- 59.5m @ 0.13% Li₂O from 168.2m in hole DDH-33
- 54.86m @ 0.12% Li₂O from 42.7m in hole DDH-36
- 36.58m @ 0.12% Li₂O from 174.3m in hole DDH06-45
- 57.55m @ 0.11% Li₂O from 141.7m in hole DDH-21

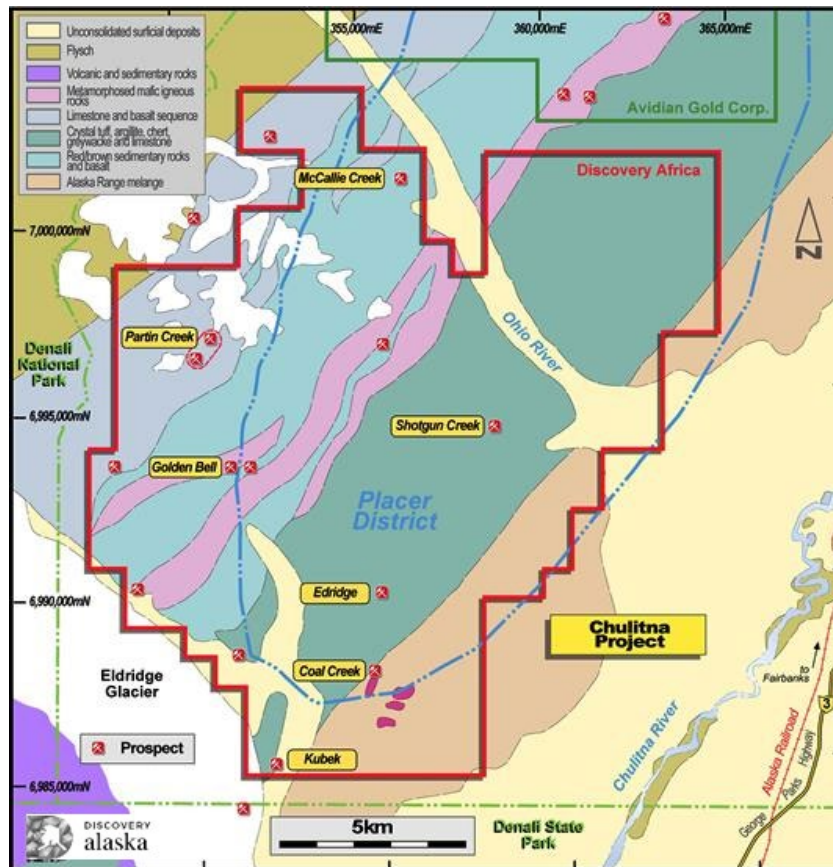


Figure 2. Chulitna Project – Geology Map with Coal Creek Prospect

New Project Opportunities

The Company is working to identify and review additional new projects that may complement the Company's current activities.

Corporate

The Company currently has cash reserves of ~\$0.9million (as at 31 March 2023), and will maintain prudent financial management.





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Additional ASX Disclosure Information

ASX Listing Rule 5.3.1: Costs incurred on exploration and evaluation of new projects were approximately \$82,000 during the quarter, being the exclusivity payments made for the lithium projects.

ASX Listing Rule 5.3.2: There were no substantive mining production and development activities during the quarter.

ASX Listing Rule 5.3.5: As outlined in the attached Appendix 5B (section 6.1), the Company paid Director's fees of approximately \$22,000 during the quarter.

Schedule of Tenements

The schedule of tenements held by the Company at the end of the Quarter is shown below.

Mining Tenement	Location	Beneficial Percentage held
ADL734566 (Chulitna 1) - ADL734873 (Chulitna 308)	Alaska, USA	100%
Mia Adjacent Project: CDC2681328 - CDC2681331, CDC2694160 - CDC2694177, CDC2699666 - CDC2699683, CDC2699885 - CDC2699902, CDC2699906 - CDC2699916, CDC2700357 - CDC2700374, CDC2701558 - CDC2701569, CDC2718387 - CDC2718398, CDC2723020 - CDC2723037, CDC2723040 - CDC2723056, CDC2729816 - CDC2729840, CDC2729842 - CDC2729860; CDC2730139 - CDC2730155, CDC2743316 - CDC2743332	Quebec, Canada	0% (option to acquire 100% interest)
Lac C Project: CDC2690035 - CDC2690045, CDC2694682 - CDC2695000, CDC2712794 - CDC2712806	Quebec, Canada	0% (option to acquire 100% interest)
Corvette East Project: CDC2666133, CDC2723005 - CDC2723019, CDC2723038 - CDC2723039, CDC2723154 - CDC2723157, CDC2723159 - CDC2723161, CDC2723163 - CDC2723182, CDC2723184 - CDC2723190, CDC2723432 - CDC2723448, CDC2723456, CDC2723459 - CDC2723465, CDC2723810, CDC2736557	Quebec, Canada	0% (option to acquire 100% interest)

ENDS

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

For further information:

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Reference to Previous ASX Releases:

This document refers to the following previous ASX/TSX releases:

12 October 2022 - Chulitna Project – Coal Creek Prospect Analysis Results Confirm Significant & Broad Lithium Mineralisation

23 May 2022 – Chulitna Project – Coal Creek Prospect, Evaluation Works Firm Up Lithium Potential

19 May 2022 – Chulitna Project – Coal Creek Prospect, Lithium Potential Identified

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. 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.

Competent Person's Statement: The information contained in this ASX release relating to Exploration Results has been prepared by Mr Jerko Zuvella. Mr Zuvella 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 Zuvella 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.

The 2021 and 2022 Chulitna Project exploration program includes a Quality Control/Quality Assurance (QA/QC) program overseen by Jesse C. Grady, MSc, CPG-11592. Mr Grady is a Qualified Person as defined by NI 43-101. Mr Grady has prepared and approved the technical information contained within this announcement.

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.