

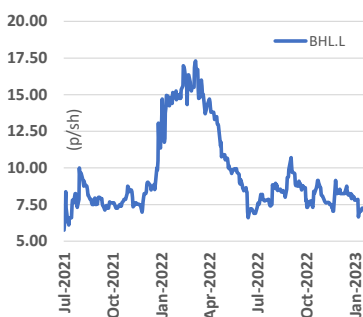
6th February 2023

Sector: Mining

Diversified lithium assets in the US, having all three common mineralised lithium style deposits within its portfolio.

Market

Markets	AIM/TSX/OTCQB
Tickers	BHL/BHLI/BHLIF
Price (p/sh)	7.25
12m High (p/sh)	17.3
12m Low (p/sh)	6.6
Ordinary shares (m)	390.6
Market Cap (£m)	28.3



Source: Alpha

Description

Bradda Head has exposure to sedimentary, pegmatite and brine lithium assets located in Arizona and Nevada. Bradda Head aims to develop assets to support the growing requirement for US-based lithium.

www.braddaheadltd.com

Board

Non-Exec Chairman	Ian Stalker
CEO	Charles FitzRoy
COO	Jim Guillinger
CFO	Denham Eke
NED	Jim Mellon
I-NED	Euan Jenkins
I-NED	Alex Borelli

Analyst

phil.swinfen@shardcapital.com
020 7186 9008
Phil Swinfen

Bradda Head Lithium Ltd

First holes at San Domingo intersect high-grade pegmatites

The initial results from Phase 1 drilling Bradda's San Domingo pegmatite project in Arizona are highly encouraging, returning high-grade lithium pegmatite intersections of promising widths at multiple locations. The best result so far is **31.85m at 1.60% Li₂O** including **3.21m at 3.74% Li₂O**. Drilling is ongoing and a substantial number of assay results from completed holes remain pending. Phase 2 is underway and Phase 3 drilling and further geochemical surveys are already being planned.

- ▶ **Drill status.** The results come from Phase 1 (Northern claim block) diamond drilling at San Domingo, part of planned Phase 1+2 7,000m maiden drill programme including the recently commenced Phase 2 drilling (Central claim block). To date, 36 holes for 5,700m have been completed meaning the programme is 81% complete. Of the 36 holes completed so far, assay results for c.50% of this drilling remain pending due to laboratory congestion causing extended assay turnaround times. The drilling was designed to test pegmatites at depth, following up on positive results from 3D mapping, geophysics, geochemistry and the identification of lithium-bearing pegmatite outcrops at surface.
- ▶ **Highlights so far.** Bradda reports that lithium-bearing minerals were observed in 75% of holes drilled to date. Numerous holes returned high-grade lithium results, notably the hole SD-DH22-024 located in the northern claim block with a 31.85m intersection at 1.60% Li₂O and several high-grade intervals within that broader intersection. See below:

SD-DH22-024 31.85m @ 1.60% Li₂O inc: 3.90m @ 2.88% Li₂O, and 20.03m @ 1.97% Li₂O (inc 7.06m @ 1.92% Li₂O, 3.21m @ 3.74% Li₂O and 3.81m @ 3.25% Li₂O)

SD-DH22-003 9.75m @ 0.78% Li₂O (inc 5.36m @ 1.20% Li₂O)

SD-DH22-005 4.27m @ 1.86% Li₂O

SD-DH22-001 2.44m @ 1.63% Li₂O

- ▶ **Discussion.** These initial drill results are highly encouraging in our view and robustly validate BHL's exploration strategy at San Domingo. **Intersecting numerous lithium-bearing pegmatites from near surface and with compelling grades should provide Bradda with the impetus to press ahead with a more comprehensive drill programme.** It should be noted that drilling is ongoing and further assays are pending. San Domingo is rapidly shaping up to be an exciting exploration play with previous work foreshadowing the potential scale of the project. Soil geochemistry had already highlighted a geochemical footprint associated with LCT-type pegmatites (lithium, caesium, tantalum), the primary class of spodumene bearing pegmatite that is typically associated with economic occurrences. Furthermore, SRK's 3D mapping work inferred at least 1,490 pegmatite outcrops within the existing claim area. Intriguingly, of the previously sampled "named" outcropping pegmatites, only Midnight Owl (1.44% Li₂O) is located on the northern claim block, the others (e.g White Ridge 2.49% Li₂O) are located in the Central claim block. Consequently, the current Phase 1 drilling substantially upgrades the prospectivity of the Northern claim block and highlights the **potential for a district-scale lithium bearing pegmatite field.** Whilst it is early days in terms of exploration and a lot more work needs to be done, **the initial drill results are compelling with multiple high-grade shallow hits** over a wide area and the width of intersections is also encouraging (at least on an apparent width basis). Initial lithium oxide (Li₂O) grades should generate some excitement. Whilst not an apple-apples comparison to compare drill intersections with mineral resource grades, and one that requires caution (because of volume, continuity, dilution and other resource/geostatistical considerations), it is still instructive to highlight that Li₂O grades from this round of drilling are well within the range of world-class pegmatites being commercially developed elsewhere (see table next page). Thus, we can infer that genetically, this pegmatite system is capable of producing grades of interest, Bradda now needs to investigate how numerous and extensive these high-grade pegmatite occurrences are.
- ▶ **Next steps.** Phase 2 drilling (part of the 7,000m) moves to the Central claim block is already underway, along with a detailed soil survey over the entire 23km² land package. The results of these soils (due for completion next month) along with further structural mapping will aid drill targeting for a larger 10,000m Phase 3 drill programme, due to commence in H2 2023. All results from Phase 1+2 are expected by the end of H1-2023. Phase 3 drilling (already funded) will build on areas covered by Phase 1+2 in addition to underexplored areas.

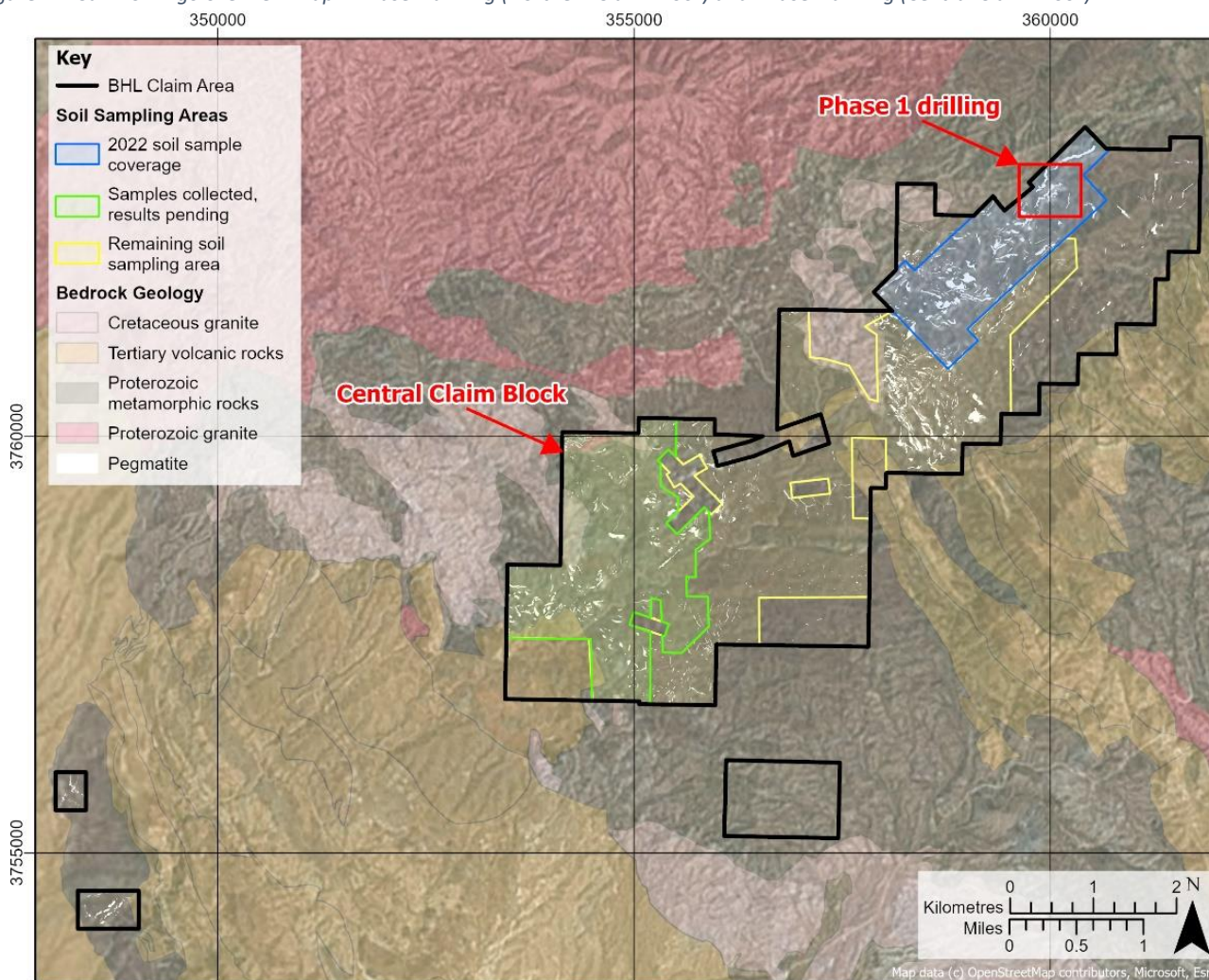
Some highly encouraging initial drill results from Bradda at San Domingo. The shallow occurrence, long intersections and high lithium grades justify a concerted exploration push at this project. San Domingo is showing early potential to be part of the US domestic lithium supply response and the rationale for further drilling remains very strong. San Domingo is increasingly likely to become a key project for Bradda and one which is starting to show exciting scale potential.

Figure 1 - Mineral Resource data, selected pegmatites globally.

Deposit	Location	Company	Resource (Mt) (Meas, Ind, Inf)	Grade Li ₂ O %	Contained Li ₂ O Mt
PAK	Ontario, CAN	Frontier Lithium	9.9	2.06	0.20
James Bay	Québec, CAN	Allkem	40.3	1.40	0.56
Spark	Ontario, CAN	Frontier Lithium	32.5	1.38	0.45
Ewoyaa	Ghana	Atlantic Lithium	35.3	1.25	0.44
Mt Cattlin	WA	Allkem	11	1.20	0.13
Pilangoora	WA, AUS	Pilbara Minerals	305	1.10	3.50
Carolina Lithium	NC, USA	Piedmont Lithium	44.2	1.08	0.48
NAL	Québec, CAN	Sayona Mining	101.9	1.06	1.08
Authier	Québec, CAN	Sayona Mining	20.9	1.01	0.21

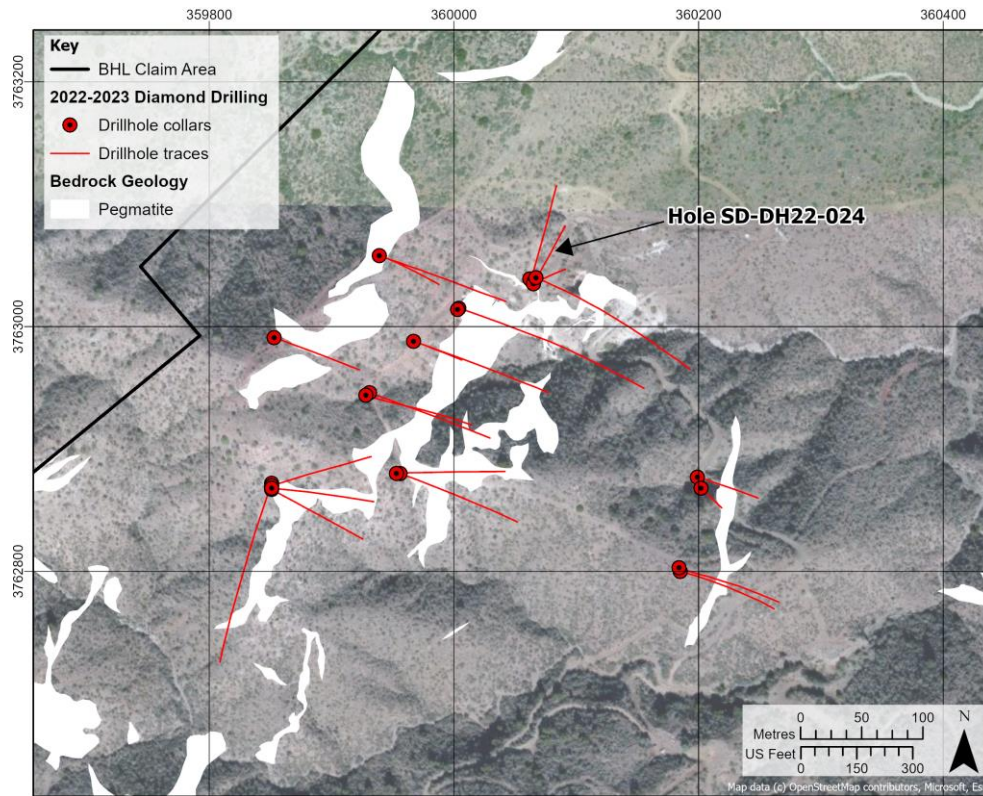
Source: Shard Capital, company reports

Figure 2 - San Domingo overview map – Phase 1 drilling (Northern Claim Block) and Phase 2 drilling (Central Claim Block)



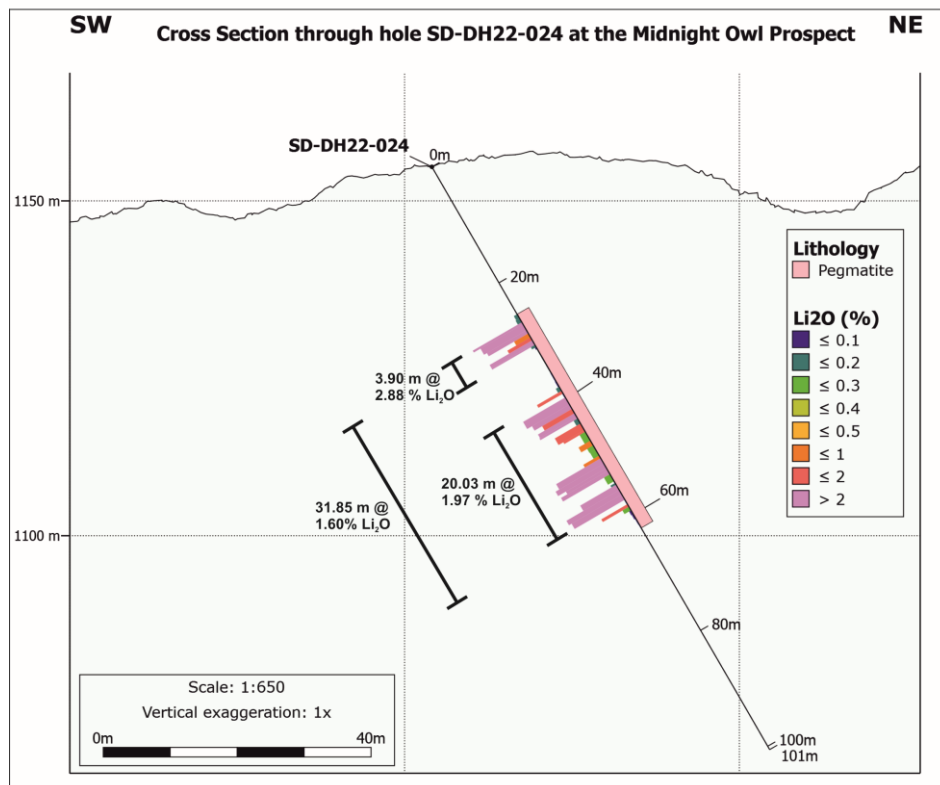
Source: Bradda Head Lithium

Figure 3 - San Domingo – Phase 1 drilling (Northern Claim Block) – drill collars and drill traces



Source: Bradda Head Lithium

Figure 4 - Phase 1 drilling (Northern Claim Block) – Cross section, hole SD-DH22-04



Source: Bradda Head Lithium

Disclaimer

This document has been prepared and issued by Shard Capital Partners LLP ("Shard Capital"), which is authorised and regulated by the Financial Conduct Authority (FRN: 538762).

This document constitutes a minor non-monetary benefit. This document is a marketing communication and not independent research. As such, it has not been prepared in accordance with legal requirements designed to promote the independence of investment research.

This document is published solely for information purposes and is not to be construed as a solicitation or an offer to buy or sell any securities, or related financial instruments. It does not constitute a personal recommendation as defined by the Financial Conduct Authority, nor does it take account of the particular investment objectives, financial situations or needs of individual investors. The information contained herein is obtained from public information and sources considered reliable. However, the accuracy thereof cannot be guaranteed.

The information contained in this document is solely for use by those persons to whom it is addressed and may not be reproduced, further distributed to any other person or published, in whole or in part, for any purpose, at any time, without the prior written consent of Shard Capital. This document may not be distributed to any persons (or groups of persons) to whom such distribution would contravene the UK Financial Services and Markets Act 2000. This document is not directed at persons in any jurisdictions in which Shard Capital is prohibited or restricted by any legislation or regulation in those jurisdictions from making it available. Persons into whose possession this document comes should inform themselves about, and observe, any such restrictions.

Shard Capital or its employees may have a position in the securities and derivatives of the companies researched and this may impair the objectivity of this report. Shard Capital may act as principal in transactions in any relevant securities or provide advisory or other service to any issuer of relevant securities or any company connected therewith.

None of Shard Capital or any of its or their officers, employees or agents accept any responsibility or liability whatsoever for any loss however arising from any use of this document or its contents or otherwise arising in connection therewith. The value of the securities and the income from them may fluctuate. It should be remembered that past performance is not a guarantee of future performance. Investments may go down in value as well as up and you may not get back the full amount invested. The listing requirements for securities listed on AIM or ISDX are less demanding and trading in them may be less liquid than main markets. If you are unsure of the suitability of share dealing specifically for you then you should contact an Independent Financial Adviser, authorised by the Financial Conduct Authority.

By accepting this document, the recipient agrees to the foregoing disclaimer and to be bound by its limitations and restrictions.