

NOA Lithium Brines (NOAL-V)

Your Best Bet In The Prolific Lithium Triangle

We are launching coverage of NOA Lithium Brines (NOAL-V, NOA or "Company") with a Speculative Buy rating. NOA is a lithium exploration company focused on the prolific Lithium Triangle in South America. The company owns a portfolio of three prospective lithium brine assets in Argentina, comprising a total claim portfolio of ~100,000Ha.

Scarcity Play Within Lithium Triangle with Experienced Management. The Lithium Triangle holds ~50% of the world's current known lithium resources, with Argentina being home to ~20%. During the early phase of the current upcycle for lithium, most of the assets in the region, especially ones with good grades, have been consolidated within a few players (refer to Appendix). We view NOA as the best publicly listed pure-play focused on lithium brines given the large land package and the potential for each of its three properties to become a standalone asset utilizing the low-cost evaporation process. The company is led by an executive team (see Appendix) with extensive lithium brine experience including tenures at Lithium Americas (LAC-T, Not Rated) and Albemarle (ALB-NYSE, Not Rated).

First Phase of Drilling at Rio Grande Project Shows Exciting Potential. NOA controls 100% interest in its flagship project, the Rio Grande project, which is comprised of claim blocks covering an area just under 39,000Ha. All NOA's claim blocks are adjacent to Pluspetrol's project (Rio Grande which was acquired from LSC Lithium Corporation in 2019) which had an inferred resource of 2.2MMt of LCE at a grade of 374 mg/L Li and was explored shallow depths at the time. The company leveraged existing knowledge of the salar system (drilling, geophysical data) from neighboring projects, as well as its own geophysical mapping to define its drilling targets. NOA initiated a 6-hole program in March 2023 aiming to test the salar core and the alluvial cover all the way to the bedrock. To date, the company announced results from 3 holes showing exceptional potential:

- **DDH-RG23-001:** drilled to depth of 613m, identified two aquifers within alluvial in the basin, to the north:
 - 71m (from 101m) with avg. grade of 433 mg/L Li and highest grade of 445 mg/L Li,
 - 158m (from 311m) with avg. grade of 773 mg/L Li and highest grade of 925 mg/L Li.
- **DDH-RG23-002:** drilled to depth of 642m, also identified two aquifers about 14 km south of the first hole:
 - 158m (from 17m) with avg. grade of 440 mg/L Li and highest grade of 556 mg/L Li,
 - 149m (from 317m) with avg. grade of 485mg/L Li and highest grade of 552 mg/L Li.
- **DDH-RG23-003:** drilled to depth of 676m, the hole showed the best results to date with 508.5m (15m-659m) grading 526 mg/L Li.

Arizaro and Salinas Grandes Projects. NOA's second largest project, the Arizaro project, is 100% owned and comprises of 39,028Ha of claims at the Arizaro Salar. The project is located 70km from the Rio Grande project. Additionally, NOA has 100% interest in 10,274Ha of claims at its Salinas Grandes project, located in Salinas Grandes, 250km from the Rio Grande project. Claims at Salinas Grandes have seen no significant historic exploration and represents a new opportunity to identify lithium bearing brines.

Valuation & Upside Potential. We view NOA as the best CAD-listed lithium brine play currently available for Canadian investors given its unincumbered, sizable asset base and high-grade potential. Valuation data from recent M&A activity in the region point to minimum transaction value north of US\$200 MM (Tecpetrol/Alpha Lithium [ALLI-NEO, Not Rated) and potential for strategic investments at pre-resource-definition phase (LAC/Ganfeng x Arena Minerals). Precedent transaction multiples in the region average EV/hectare of ~C\$40,000 and EV/Resource (tonne LCE) of ~\$230. Consequently, we expect a meaningful rerating once NOA announces its maiden resource estimate, and potentially sooner.

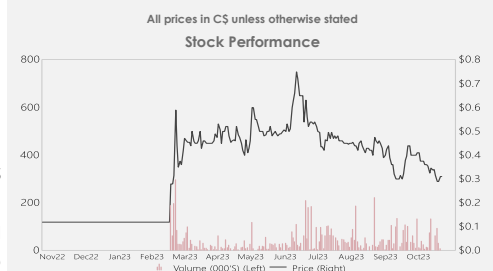
- Catalysts:**
- 1) Results from Hole 4 & 5 at Rio Grande – Before end of CY23.
 - 2) Maiden resource at Rio Grande - Late Q1/CY24 /Early Q2/CY24.
 - 3) Aquifer hydrogeological parameters (permeability/porosity).

Initiating Coverage

Spec. Buy	no target		
Recent/Closing Price	C\$0.31		
12-month Target Price	no target		
Potential Return	-		
52 Week Price Range	C\$0.09 - C\$0.90		
Estimates			
YE: Nov. 30th	FY22	FY23E	FY24E
Revenue (\$MM)	\$0.0	\$0.0	\$0.0
FD EPS	-\$0.22	-\$0.22	-\$0.30
Valuation			
	FY22	FY23E	FY24E
EV/Sales	nmf	nmf	nmf
P/E	nmf(neg)	nmf(neg)	nmf(neg)
Stock Data			
Shares Outstanding (As Converted, M)			
Basic	115		
Fully Diluted	213		
Market Cap (C\$M)			
Basic	\$36		
Fully Diluted	\$66		
Cash/Securities (\$M)			
	\$8	Pro-Forma	
Debt (\$M)			
	\$0		
EV (\$M)			
	\$28		

About the Company

NOA is a lithium exploration and development company with projects in the heart of the prolific Lithium Triangle, located in the mining friendly province of Salta, Argentina. NOA has rapidly consolidated one of the largest lithium brine claim portfolios in this region not owned by a producing company, with key positions on three prospective salars (Rio Grande, Arizaro, Salinas Grandes) and a total portfolio of approximately 100,000 hectares.



Appendix: Tearsheet

NOA Lithium Brines	Symbol	NOA-V	Share Price (C\$/sh)	0.31	Cash (C\$MM)	7.5	<i>Pro-Forma</i>	Beacon Securities
	Stock Rating	Spec. Buy	Shares O/S (MM) - Basic	115	EV (C\$MM)	28		
	Price Target	no target	Market Cap (C\$MM) - Basic	36				Ahmad Shaath, MBA, CFA

Management

Hernán Miguel Zaballa, Executive Chairman, Co-Founder: Senior partner at "Zaballa Carchio Abogados" in Buenos Aires, Argentina, with over 30yrs of legal experience focused primarily on the mining industry. He served on the local BoD of Barrick Gold, Pan American Silver, Northern Orion, and Penoles. Over the past 5 years, he co-founded Huayra Minerals Corp. and Abrasilver Resource Corp. Mr. Zaballa is the former Executive Chairman and currently a Board member at AbraSilver Resource Corp., and is currently a Vice-President and Board member at Minera Exar SA.

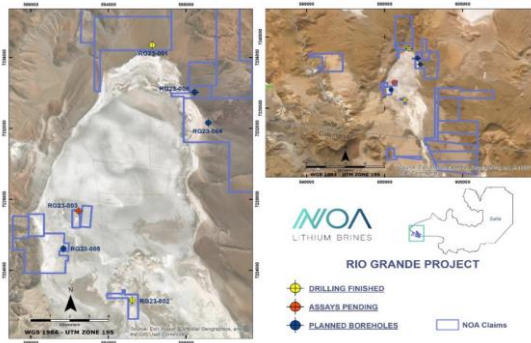
Gabriel Rubacha, CEO & Director, Co-Founder: More than 30yrs of management and leadership experience, both local in Argentina and internationally. Between 2017-2021 he was President of South American Operations at Lithium Americas Corp (LAC) and CEO of Minera Exar, its Argentinian operation, as well as member of LAC's board 2016-2021. Before that, he spent 25yrs at Techint Engineering & Construction, most recently as Managing Director for the Southern Cone and member of the corporate board and in subsidiaries. Gabriel is an Aeronautical Engineer and has an MBA. He also attended The Executive Program at Darden Business School (University of Virginia) and Finance for Senior Executives at Harvard Business School.

Vanessa Fernandez, Director Of Exploration: More than 15yrs of experience in exploration, specializing in lithium brine deposits, most recently as Technical Manager of Lithium Projects at Amino S.R.L., a Salta-based contractor specializing in geophysics, hydrology and environmental surveys of the Puna region, Argentina. She was also a Consulting Geologist for REMSA (Recursos Energéticos Y Mineros De Salta), a state-owned company responsible for managing the energy and mining resources of the Province of Salta, where she was responsible for overseeing and directing geological and environmental evaluations of lithium brine properties. Earlier in her career, she was a Field Geologist for Albemarle Corporation working on its Argentinian lithium projects. She has a Bachelor's degree in Geology from the National University of Salta (Argentina) and her licenses include: Registered Professional Geologist (Salta Province) Registered Environmental and Social Impact Consultant (Secretary of Environment & Sustainable Development for Salta Province), and Registered Technical Director in Groundwater Extraction (Secretary of Water Resources for Salta Province).

Other Directors

John Miniatis | Peter Hughes | Richard Steed

Main Asset: Rio Grande



Other Executives & Key Personnel

David Cross, CFO | Simón Pérez Alsina, Advisor & Co-Founder | Estanislao Jose Zaballa, Country Manager & Co-Founder

Manuel Benítez, Advisor & Co-Founder | Eugenio Ponte, Advisor | Taj Singh, Advisor, QP & Co-Founder

Major Shareholders

Sr Management	15%	Seed Capital	19%
Other Founders	17%	Investors and Institutions	49%

Options	Avg. Price	Warrants	Avg. Price
5,918,000	\$0.50	91,616	\$0.34

Most Recent Financings

Date	Amount	Price	Type	Warrant	Expiry
18-May-23	\$7M	\$0.40	Private Placement	\$0.60	18-May-23

2023/2024 Exploration Program

- H1 2023: Began drilling campaign at Rio Grande (6 holes)
- H2 2023: On-going drilling, porosity, resource work, finalizing MRE at Rio Grande; Geophysics (completed) at Arizaro
- H1 2024: MRE at Rio Grande, Maiden drilling at Arizaro, follow-up drilling on Rio Grande, geophysics at Salinas Grandes
- H2 2024: Maiden resource at Arizaro, start drilling on Salinas Grandes, follow-up drilling on Rio Grande and Arizaro

Recent Drill Results

- Highlights:**
- DDH-RG23-001:** drilled to depth of 613m, identified two aquifers within alluvial in the basin, to the north:
 - 71m (101m-182m) with average grade of 433 mg/L Li and highest grade of 445 mg/L Li
 - 158m (311m-469m) with average grade of 773 mg/L Li and highest grade of 925 mg/L Li
- DDH-RG23-002:** drilled to depth of 642m, also identified two aquifers about 1.4 km south of the first hole:
 - 158m (17m-175m) with average grade of 440 mg/L Li and highest grade of 556 mg/L Li
 - 149m (317m-466m) with average grade of 485mg/L Li and highest grade of 552 mg/L Li
- DDH-RG23-003:** drilled to depth of 676m, the hole showed the best results to date with 508.5m (15m-659m) grading 526 mg/L Li.

Premier Jurisdiction: Lithium Triangle



Hole	Sample Interval (m)		Li (mg/l)	Hole	Sample Interval (m)		Li (mg/l)	Hole	Sample Interval (m)		Li (mg/l)	Hole	Sample Interval (m)		Li (mg/l)
	Top	Bottom			Top	Bottom			Top	Bottom			Top	Bottom	
DDH-RG23-002	452	454	471	DDH-RG23-001	101	103	423	DDH-RG23-002	29	31	436	DDH-RG23-003	273	274.5	720
DDH-RG23-002	464	466	524	DDH-RG23-001	107	109	420	DDH-RG23-002	41	43	443	DDH-RG23-003	285	286.5	667
DDH-RG23-003	15	16.5	409	DDH-RG23-001	113	115	406	DDH-RG23-002	53	55	438	DDH-RG23-003	333	334.5	632
DDH-RG23-003	27	28.5	428	DDH-RG23-001	119	121	435	DDH-RG23-002	65	67	408	DDH-RG23-003	345	346.5	549
DDH-RG23-003	39	41.5	414	DDH-RG23-001	125	127	445	DDH-RG23-002	77	79	466	DDH-RG23-003	366	367.5	547
DDH-RG23-003	51	52.5	415	DDH-RG23-001	131	133	439	DDH-RG23-002	101	103	483	DDH-RG23-003	378	379.5	547
DDH-RG23-003	63	64.5	412	DDH-RG23-001	137	139	440	DDH-RG23-002	113	115	556	DDH-RG23-003	414	415.5	527
DDH-RG23-003	75	76.5	510	DDH-RG23-001	143	145	436	DDH-RG23-002	125	127	444	DDH-RG23-003	450	451.5	523
DDH-RG23-003	87	88.5	500	DDH-RG23-001	149	151	436	DDH-RG23-002	137	139	460	DDH-RG23-003	471	472.5	544
DDH-RG23-003	99	100.5	516	DDH-RG23-001	155	157	436	DDH-RG23-002	149	151	442	DDH-RG23-003	483	484.5	582
DDH-RG23-003	111	112.5	437	DDH-RG23-001	161	163	443	DDH-RG23-002	161	163	358	DDH-RG23-003	495	496.5	562
DDH-RG23-003	129	130.5	471	DDH-RG23-001	167	172	432	DDH-RG23-002	173	175	378	DDH-RG23-003	507	508.5	538
DDH-RG23-003	141	142.5	485	DDH-RG23-001	173	175	415	DDH-RG23-002	185	187	355	DDH-RG23-003	519	520.5	518
DDH-RG23-003	165	166.5	464	DDH-RG23-001	179	181	415	DDH-RG23-002	197	199	352	DDH-RG23-003	531	532.5	555
DDH-RG23-003	177	178.5	439	DDH-RG23-001	185	187	415	DDH-RG23-002	209	211	351	DDH-RG23-003	543	544.5	550
DDH-RG23-003	189	190.5	401	DDH-RG23-001	191	193	415	DDH-RG23-002	221	223	355	DDH-RG23-003	555	556.5	523
DDH-RG23-003	201	202.5	392	DDH-RG23-001	197	199	415	DDH-RG23-002	233	235	485	DDH-RG23-003	567	568.5	519
DDH-RG23-003	213	218	595	DDH-RG23-001	203	205	415	DDH-RG23-002	245	247	433	DDH-RG23-003	579	580.5	534
DDH-RG23-003	225	226.5	580	DDH-RG23-001	209	211	415	DDH-RG23-002	257	259	362	DDH-RG23-003	591	592.5	532
DDH-RG23-003	237	238.5	552	DDH-RG23-001	215	217	415	DDH-RG23-002	269	271	362	DDH-RG23-003	603	604.5	554
DDH-RG23-003	249	250.5	785	DDH-RG23-001	221	223	415	DDH-RG23-002	281	283	499	DDH-RG23-003	615	616.5	535
DDH-RG23-003	261	262.5	675	DDH-RG23-002	17	19	411	DDH-RG23-002	293	295	473	DDH-RG23-003	627	628.5	513
												DDH-RG23-003	639	640.5	496
												DDH-RG23-003	651	652.5	489

Source: Company reports

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As of October 31, 2023	#Stocks	Distribution
BUY	71	74.7%
Speculative Buy	17	17.9%
Hold	2	2.1%
Sell	0	0.0%
Under Review	4	4.2%
Tender	1	1.1%
Total	95	100%

BUY Total 12-month return expected to be > 15%
 Speculative Buy Potential 12-month return is high (>15%) but given elevated risk, investment could result in a material loss
 Hold Total 12-month return is expected to be between 0% and 15%
 Sell Total 12-month return is expected to be negative
 Under Review
 Tender Clients are advised to tender their shares to a takeover bid or similar offer

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