Monday, 17 May 2021 ASX Code : SRK

MARKET ANNOUNCEMENT

Admission and Quotation to ASX of Spin-Out - Lithium Energy Limited (ASX:LEL)

Strike Resources Limited (ASX:SRK) (**Strike**) is pleased to advise that its spin-out company Lithium Energy Limited (**Lithium Energy**) (ASX Code : LEL) has been admitted to the Official List of ASX on 17 May 2021 and official quotation of its shares on ASX will commence at 12:00 noon EST / 10:00 am WST on Wednesday, 19 May 2021.[1]

This follows the successful completion of its $9 million initial public offering (**IPO**) under a Prospectus (dated 30 March 2021[2]). Lithium Energy's fully underwritten IPO Prospectus closed on 29 April 2021 and 45 million shares (at a price of $0.20 each) were issued to successful applicants on 7 May 2021.[3]

Lithium Energy is the spin out of the battery minerals assets from Strike. The flagship Solaroz Brine Lithium Project (LEL:90%) (**Solaroz**) comprises 12,000 hectares of highly prospective lithium mineral tenements located strategically within the Salar de Olaroz Basin in South America's "Lithium Triangle" in north-west Argentina. Solaroz is directly adjacent to or principally surrounded by mineral concessions being developed into production by Orocobre Limited (ASX/TSX:ORE) and Lithium Americas Corporation (TSX/NYSE:LAC). The location of Solaroz is considered to be highly strategic and prospective, particularly in light of robust demand for lithium (with spot lithium carbonate prices up ~90% between December 2020 and March 2021) and recent mergers and acquisitions in the sector, including the proposed A$4 billion merger of Lithium Energy's neighbour, Orocobre Limited, with Galaxy Resources Limited (ASX:GXY) announced on 19 April 2021.

In addition to its lithium assets, Lithium Energy owns the Burke Graphite Project (LEL:100%) (**Burke**) located in Queensland which contains a high grade graphite deposit and presents the opportunity for the Company to participate in the anticipated growth in demand for graphite and graphite related products.

Further details about the Solaroz and Burke Projects are in the Lithium Energy Prospectus and on the Company's website: **www.lithiumenergy.com.au**

Lithium Energy will have a market capitalisation of $16 million based on 80,010,000 shares on issue, with 45,000,00 shares to be quoted on ASX and 35,010,000 shares being restricted securities subject to escrow for 12/24 months.[4]

Strike will be the largest shareholder of Lithium Energy with 34,410,000 shares (43%) (subject to escrow for 24 months).

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1 Refer LEL's ASX Announcement dated 17 May 2021: ASX Notice – Admission to Official List

2 Refer LEL's ASX Announcement dated 17 May 2021: Prospectus

3 Refer LEL's ASX Announcement dated 17 May 2021: Confirmation Statements

4 Refer LEL's ASX Announcement dated 17 May 2021: Capital Structure, Top 20 and Distribution Schedule

Lithium Energy advises that the fully underwritten IPO was significantly oversubscribed, with a scale-back of applications received. Eligible shareholders of Strike who applied under the 'Strike Priority Offer' received their guaranteed maximum entitlements. Applications by Strike shareholders in excess of their pro-rata entitlements were considered under the Public Offer and subject to the scale-back. If a Strike shareholder's application has been scaled-back, they will receive a refund cheque by mail.

Lithium Energy advises that Advanced Share Registry despatched relevant Lithium Energy Issuer Holding Statements and CHESS Notices to successful applicants and refund cheques in respect of unsuccessful/scaled-back applications on 11 May 2021.

Strike shareholders who wish to ascertain details concerning their Lithium Energy shareholding may log on to the Advanced Share Registry website:
https://www.advancedshare.com.au/Investor-Login

AUTHORISED FOR RELEASE - FOR FURTHER INFORMATION:

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ABOUT STRIKE RESOURCES LIMITED (ASX:SRK)

Strike Resources Limited is an ASX listed resource company which is developing the 1.5Mtpa Paulsens East Iron Ore Project in Western Australia. Strike also owns the high grade Apurimac Iron Ore Project in Peru where it has commenced mining of high-grade surface deposits and entered into an offtake agreement with an international iron-ore trading firm to export the "Apurimac Premium Lump" DSO product of ~65% Fe. Strike has a 43% shareholding in Lithium Energy Limited (ASX:LEL), which was recently spun-out of Strike under a $9m IPO. Lithium Energy is developing battery minerals related assets - the Solaroz Lithium Brine Project in Argentina and the Burke Graphite Project in Queensland.

ABOUT LITHIUM ENERGY LIMITED (ASX:LEL)

Lithium Energy Limited (ASX:LEL) is an ASX listed battery minerals company which is developing its flagship Solaroz Lithium Brine Project in Argentina and the Burke Graphite Project in Queensland. The Solaroz Lithium Project (LEL:90%) comprises 12,000 hectares of highly prospective lithium mineral tenements located strategically within the Salar de Olaroz Basin in South America's "Lithium Triangle" in north-west Argentina. The Solaroz Lithium Project is directly adjacent to or principally surrounded by mineral concessions being developed into production by Orocobre Limited (ASX/TSX:ORE) and Lithium Americas Corporation (TSX/NYSE:LAC). The Burke Graphite Project (LEL:100%) contains a high grade graphite deposit and presents an opportunity to participate in the anticipated growth in demand for graphite and graphite related products. LEL was spun out of Strike Resources Limited (ASX:SRK) via a $9 million IPO; Strike remains a major (43%) shareholder of Lithium Energy.