

Form 603

**Corporations Act 2001
Section 671B**

Notice of initial substantial holder

To Company Name/Scheme Lotus Resources Limited (Lotus)

ACN/ARSN 199 992 175

1. Details of substantial holder (1)

Name Kayelekera Resources Pty Ltd

ACN/ARSN (if applicable) 633 912 688

The holder became a substantial holder on 17 August 2021

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes	Voting power (6)
Fully paid ordinary shares	226,463,927	226,463,927	19.12%

3. Details of relevant interests

The nature of the relevant interests the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Kayelekera Resources Pty Ltd	Registered holder	175,509,489 ordinary shares
Kayelekera Resources Pty Ltd	Kayelekera Resources Pty Ltd is party to an Escrow Deed pursuant to which Kayelekera Resources Pty Ltd may be entitled to be transferred shares. Mr Davey is the sole director of Kayelekera Resources Pty Ltd and controls Kayelekera Resources Pty Ltd. A copy of the Escrow Deed is annexed as Annexure A.	50,954,438 ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Kayelekera Resources Pty Ltd	Kayelekera Resources Pty Ltd	Kayelekera Resources Pty Ltd	175,509,489 ordinary shares
Kayelekera Resources Pty Ltd	Perpetual Corporate Trust Ltd	Perpetual Corporate Trust Ltd	50,954,438 ordinary shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-Cash	
Kayelekera Resources Pty Ltd	17 August 2021	N/A	Issued as consideration for the acquisition of its shares in Lily Resources Pty Ltd	175,509,489 ordinary shares
Kayelekera Resources Pty Ltd	17 August 2021	N/A	Issued as consideration for the acquisition of its shares in Lily Resources Pty Ltd	50,954,438 ordinary shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
N/A	N/A

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Kayelekera Resources Pty Ltd	1202 Hay Street WEST PERTH WA 6005
Perpetual Corporate Trust Ltd	GPO Box 4172 SYDNEY NSW 2001

Signature

print name Grant Davey

capacity Director

sign here



date 19 August 2021

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.


Annexure A

This is Annexure A of 13 pages referred to in Form 603, Notice of Initial Substantial Holder, attaching Escrow Deeds dated 13 August 2021.

I certify that the information contained in this Annexure is true and correct.

Print name: Stuart McKenzie

Capacity: Company Secretary

Signature:  _____

Date: 19 August 2021

Appendix 9A

Restriction Deed

We, the persons in:

- Item 1 of the schedule (“entity”);
- Item 2 of the schedule (“holder”);
- Item 3 of the schedule (“controller”),

agree as follows.

Introduction

- A. The entity intends to issue, or has issued, restricted securities to the holder. The holder has agreed to hold the restricted securities as set out in this deed.
- B. We enter this deed for the purpose of complying with chapter 9 of the listing rules.
- C. We acknowledge that the entity's admission or continued admission to the ASX official list is conditional on the provision of this deed.

Agreement

Escrow restrictions

1. During the escrow period, the holder must not:
 - (a) ⁺dispose of, or agree or offer to ⁺dispose of, the restricted securities;
 - (b) create, or agree or offer to create, any security interest in the restricted securities; or
 - (c) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of the restricted securities,except as permitted in the listing rules or by ASX in writing and anything done in contravention of this clause is not binding on, and will not be recognised as legally effective by, the entity or ASX.
2. During the escrow period, a controller must not:
 - (a) ⁺dispose of, or agree or offer to ⁺dispose of, the controller interests;
 - (b) create, or agree or offer to create, any security interest in the controller interests; or
 - (c) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of the controller interests,except as permitted in the listing rules or by ASX in writing and anything done in contravention of this clause is not binding on, and will not be recognised as legally effective by, the entity or ASX.
3. The holder agrees that the restricted securities are to be kept on the entity's ⁺issuer sponsored subregister and are to have a ⁺holding lock applied for the duration of the escrow period.

Warranties

4. If item 3 of the schedule is completed, the holder and each ⁺controller warrant that:
 - (a) the holder has the ⁺controllers set out in item 3 of the schedule with the controller interests identified in item 6 of the schedule;
 - (b) there are no other controllers or controller interests; and

- (c) the holder and each +controller have provided ASX and the entity with all information necessary to properly form an opinion about who is a +controller of the holder and who is required to execute this deed.
- 5. If item 3 of the schedule is not completed or is marked “nil” or “n/a” (or something equivalent), the holder warrants that:
 - (a) if the holder is one or more individuals, they are the legal and beneficial owner of the restricted securities;
 - (b) if the holder is not one or more individuals, the holder has no +controller; and
 - (c) the holder has provided ASX and the entity with all information necessary to properly form an opinion that the holder falls within either (a) or (b) above.
- 6. If item 8 of the schedule is completed, the holder warrants that:
 - (a) full particulars of the security interests which have been created over the restricted securities are set out in item 8;
 - (b) apart from those security interests, the holder has not done, or omitted to do, any act which would breach clause 1 if done or omitted during the escrow period; and
 - (c) a release of those security interests is attached.
- 7. If item 8 of the schedule is not completed or is marked “nil” or “n/a” (or something equivalent), the holder warrants that the holder has not created, or agreed to create, any security interests over the restricted securities.
- 8. If item 9 of the schedule is completed, the holder and each +controller warrant that:
 - (a) full particulars of security interests which have been created over the controller interests are set out in item 9;
 - (b) apart from those security interests, the +controller has not done, or omitted to do, any act which would breach clause 2 if done or omitted during the escrow period; and
 - (c) a release of the security interests is attached.
- 9. If item 9 of the schedule is not completed or is marked “nil” or “n/a” (or something equivalent), the holder and each +controller warrant that the +controller has not created, or agreed to create, any security interests over the controller interests.
- 10. A breach of any of these warranties is a breach of this deed.

Consequences of breaching this deed

- 11. If the holder or a +controller breach this deed:
 - (a) the holder and each +controller must take the steps necessary to rectify the breach;
 - (b) the entity must take the steps necessary to enforce the agreement;
 - (c) the entity must refuse to acknowledge any +disposal (including, without limitation, to register any transfer) of any of the +restricted securities in breach of this deed; and
 - (d) the holder of the +restricted securities will cease to be entitled to any dividends or distributions, or to exercise any voting rights, in respect of the +restricted securities for so long as the breach continues.

Amendment

- 12. This deed must not be terminated, changed or waived without ASX’s written consent.

Counterparts

13. This deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this deed. Without limiting the foregoing, if the signatures on behalf of one party are on different counterparts, this shall be taken to be, and have the same effect as, signatures on the same counterpart and on a single copy of this deed.

Jurisdiction

14. The laws of the State of New South Wales apply to this deed. We submit to the exclusive jurisdiction of the courts of that State.

Definitions and interpretation

In this deed:

ASX means ASX Limited.

controller has the same meaning as in the listing rules.

controller interests means the *securities or other rights or interests through which a controller controls, or has a substantial economic interest in, the *restricted securities or the holder of the *restricted securities, full particulars of which are set out in item 7 of the schedule.

escrow period means the period starting on the date set out in item 4 of the schedule and ending on the date set out in item 5 of the schedule.

listing rules mean the ASX Listing Rules, as in force from time to time.

restricted securities means the *securities set out in item 6 of the schedule and any *securities attaching to or arising out of those *securities that are restricted securities under the listing rules.

The singular includes the plural and vice versa.

A reference to a party includes its successors, personal representatives and transferees.

Other words and expressions defined in the listing rules, and not in this deed, have the meanings given to them in the listing rules.

Every warranty or agreement (expressed or implied) in which more than one person joins, binds them individually and any combination of them as a group.

Schedule

1. Entity's name and address:

Lotus Resources Ltd (ACN 119 992 175)
1202 Hay Street
West Perth, WA 6005

2. Holder's name and address:

Perpetual Corporate Trust Limited (ACN 000 341 533)
Level 18, Angel Place, 123 Pitt Street
Sydney, NSW 2000
Attention: Head of Custody
Email: CCScustody@perpetual.com.au

3. Each +controllers' name and address:

Kayelekera Resources Pty Ltd (ACN 633 912 688)
1202 Hay Street
West Perth, WA 6005

Timothy Arthur Kestell
38 Ozone Parade
Cottesloe, WA 6011

Grant Lawrence Burnaford Davey
28 Avonmore Terrace
Cottesloe, WA 6011

4. Escrow period start date:

The date on which the restricted securities are issued to the holder.

5. Escrow period end date:

The date that is 12 months from the date on which the restricted securities are issued to the holder.

6. Particulars of restricted securities:

50,954,438 fully paid ordinary shares in the entity.

7. Particulars of controller interests:

Kayelekera Resources Pty Ltd is a controller as it may be entitled to be transferred some or all of the shares by the holder who is holding them as custodian subject to the terms of a custodian agreement.

Timothy Arthur Kestell is a controller as he may be entitled to be transferred some or all of the shares by the holder who is holding them as custodian subject to the terms of a custodian agreement.

Grant Lawrence Buraford Davey is a controller as he is the ultimate controller of Kayelekera Resources Pty Ltd.

8. Particulars of security interests over restricted securities:

Nil

9. Particulars of security interests over controller interests:

Nil

Dated: 13 August 2021

Executed as a deed


**SIGNED SEALED AND DELIVERED by
Perpetual Corporate Trust Limited ACN 000 341 533**

By its attorney pursuant to Power of Attorney
dated 18 September 2014
who states that he/she has received no notice
of revocation of the Power of Attorney.
In the presence of:



Signature of witness Tessa Wong-King
Client Service Officer

Name of witness (please print)



Signature of Attorney
Trent Franklin
Senior Client Manager

Name and title of Attorney (please print)

Executed by **Kayelekera Resources Pty Ltd**
ACN 633 912 688 in accordance with
section 127 of the *Corporations Act 2001*:

Director/company secretary

Director

Name of director/company secretary
(BLOCK LETTERS)

Name of director
(BLOCK LETTERS)

Executed by **Lotus Resources Ltd** ACN 119
992 175 in accordance with section 127 of
the *Corporations Act 2001*:

Director/company secretary

Director

Name of director/company secretary
(BLOCK LETTERS)

Name of director
(BLOCK LETTERS)

Dated:

Executed as a deed

**SIGNED SEALED AND DELIVERED by
Perpetual Corporate Trust Limited ACN 000 341 533**

By its attorney pursuant to Power of Attorney
dated 18 September 2014
who states that he/she has received no notice
of revocation of the Power of Attorney.
In the presence of:


Signature of witness

Signature of Attorney

Name of witness (please print)

Name and title of Attorney (please print)

Executed by **Kayelekera Resources Pty Ltd**
ACN 633 912 688 in accordance with
section 127 of the *Corporations Act 2001*:



Director/company secretary

STUART MCKENZIE

Name of director/company secretary
(BLOCK LETTERS)



Director

GRANT DAVAL

Name of director
(BLOCK LETTERS)

Executed by **Lotus Resources Ltd** ACN 119
992 175 in accordance with section 127 of
the *Corporations Act 2001*:



Director/company secretary

STUART MCKENZIE

Name of director/company secretary
(BLOCK LETTERS)



Director

KEITH BONE

Name of director
(BLOCK LETTERS)

Signed sealed and delivered by **Grant
Lawrence Burnaford Davey** in the presence
of:



Signature of witness



Grant Lawrence Burnaford Davey

STUART MCKENZIE

Name of witness (BLOCK LETTERS)

11B BUSHEY RD, WEMBLEY DOWNS, WA
Address of witness

Signed sealed and delivered by **Timothy
Arthur Kestell** in the presence of:

Signature of witness

Timothy Arthur Kestell

Name of witness (BLOCK LETTERS)

Address of witness

Signed sealed and delivered by **Grant Lawrence Burnaford Davey** in the presence of:

Signature of witness

Grant Lawrence Burnaford Davey

Name of witness (BLOCK LETTERS)

Address of witness

Signed sealed and delivered by **Timothy Arthur Kestell** in the presence of:



Signature of witness



Timothy Arthur Kestell

STEPHEN J PENROSE

Name of witness (BLOCK LETTERS)

Level 40

108 St Georges Tce Perth

Address of witness

Appendix 9A

Restriction Deed

We, the persons in:

- Item 1 of the schedule ("entity");
- Item 2 of the schedule ("holder");
- Item 3 of the schedule ("controller"),

agree as follows.

Introduction

- A. The entity intends to issue, or has issued, restricted securities to the holder. The holder has agreed to hold the restricted securities as set out in this deed.
- B. We enter this deed for the purpose of complying with chapter 9 of the listing rules.
- C. We acknowledge that the entity's admission or continued admission to the ASX official list is conditional on the provision of this deed.

Agreement

Escrow restrictions

1. During the escrow period, the holder must not:
 - (a) *dispose of, or agree or offer to *dispose of, the restricted securities;
 - (b) create, or agree or offer to create, any security interest in the restricted securities; or
 - (c) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of the restricted securities,except as permitted in the listing rules or by ASX in writing and anything done in contravention of this clause is not binding on, and will not be recognised as legally effective by, the entity or ASX.
2. During the escrow period, a controller must not:
 - (a) *dispose of, or agree or offer to *dispose of, the controller interests;
 - (b) create, or agree or offer to create, any security interest in the controller interests; or
 - (c) do, or omit to do, any act if the act or omission would have the effect of transferring effective ownership or control of the controller interests,except as permitted in the listing rules or by ASX in writing and anything done in contravention of this clause is not binding on, and will not be recognised as legally effective by, the entity or ASX.
3. The holder agrees that the restricted securities are to be kept on the entity's *issuer sponsored subregister and are to have a *holding lock applied for the duration of the escrow period.

Warranties

4. If item 3 of the schedule is completed, the holder and each *controller warrant that:
 - (a) the holder has the *controllers set out in item 3 of the schedule with the controller interests identified in item 6 of the schedule;
 - (b) there are no other controllers or controller interests; and

- (c) the holder and each *controller have provided ASX and the entity with all information necessary to properly form an opinion about who is a *controller of the holder and who is required to execute this deed.
- 5. If item 3 of the schedule is not completed or is marked "nil" or "n/a" (or something equivalent), the holder warrants that:
 - (a) if the holder is one or more individuals, they are the legal and beneficial owner of the restricted securities;
 - (b) if the holder is not one or more individuals, the holder has no *controller; and
 - (c) the holder has provided ASX and the entity with all information necessary to properly form an opinion that the holder falls within either (a) or (b) above.
- 6. If item 8 of the schedule is completed, the holder warrants that:
 - (a) full particulars of the security interests which have been created over the restricted securities are set out in item 8;
 - (b) apart from those security interests, the holder has not done, or omitted to do, any act which would breach clause 1 if done or omitted during the escrow period; and
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 - (a) full particulars of security interests which have been created over the controller interests are set out in item 9;
 - (b) apart from those security interests, the *controller has not done, or omitted to do, any act which would breach clause 2 if done or omitted during the escrow period; and
 - (c) a release of the security interests is attached.
- 9. If item 9 of the schedule is not completed or is marked "nil" or "n/a" (or something equivalent), the holder and each *controller warrant that the *controller has not created, or agreed to create, any security interests over the controller interests.
- 10. A breach of any of these warranties is a breach of this deed.

Consequences of breaching this deed

- 11. If the holder or a *controller breach this deed:
 - (a) the holder and each *controller must take the steps necessary to rectify the breach;
 - (b) the entity must take the steps necessary to enforce the agreement;
 - (c) the entity must refuse to acknowledge any *disposal (including, without limitation, to register any transfer) of any of the *restricted securities in breach of this deed; and
 - (d) the holder of the *restricted securities will cease to be entitled to any dividends or distributions, or to exercise any voting rights, in respect of the *restricted securities for so long as the breach continues.

Amendment

- 12. This deed must not be terminated, changed or waived without ASX's written consent.

Counterparts

13. This deed may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this deed. Without limiting the foregoing, if the signatures on behalf of one party are on different counterparts, this shall be taken to be, and have the same effect as, signatures on the same counterpart and on a single copy of this deed.

Jurisdiction

14. The laws of the State of New South Wales apply to this deed. We submit to the exclusive jurisdiction of the courts of that State.

Definitions and interpretation

In this deed:

ASX means ASX Limited.

controller has the same meaning as in the listing rules.

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escrow period means the period starting on the date set out in item 4 of the schedule and ending on the date set out in item 5 of the schedule.

listing rules mean the ASX Listing Rules, as in force from time to time.

restricted securities means the *securities set out in item 6 of the schedule and any *securities attaching to or arising out of those *securities that are restricted securities under the listing rules.

The singular includes the plural and vice versa.

A reference to a party includes its successors, personal representatives and transferees.

Other words and expressions defined in the listing rules, and not in this deed, have the meanings given to them in the listing rules.

Every warranty or agreement (expressed or implied) in which more than one person joins, binds them individually and any combination of them as a group.

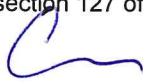
Schedule

1. Entity's name and address:
Lotus Resources Ltd (ACN 119 992 175)
1202 Hay Street
West Perth, WA 6005
2. Holder's name and address:
Kayelekera Resources Pty Ltd (ACN 633 912 688)
1202 Hay Street
West Perth, WA 6005
3. Each *controllers' name and address:
Grant Lawrence Burnaford Davey
28 Avonmore Terrace
Cottesloe, WA 6011
4. Escrow period start date:
The date on which the restricted securities are issued to the holder.
5. Escrow period end date:
The date that is 12 months from the date on which the restricted securities are issued to the holder.
6. Particulars of restricted securities:
175,509,489 fully paid ordinary shares in the entity.
7. Particulars of controller interests:
Grant Lawrence Buraford Davey is a controller as he is the ultimate controller of Kayelekera Resources Pty Ltd.
8. Particulars of security interests over restricted securities:
Nil
9. Particulars of security interests over controller interests:
Nil

Dated: 13 August 2021

Executed as a deed

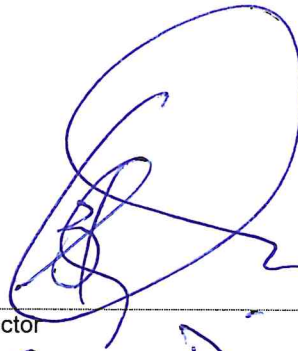
Executed by **Kayelekera Resources Pty Ltd**
ACN 633 912 688 in accordance with
section 127 of the *Corporations Act 2001*:



Director/company secretary

STUART MCKENZIE

Name of director/company secretary
(BLOCK LETTERS)



Director

Grant Davey

Name of director
(BLOCK LETTERS)

Executed by **Lotus Resources Ltd** ACN 119
992 175 in accordance with section 127 of
the *Corporations Act 2001*:



Director/company secretary

STUART MCKENZIE

Name of director/company secretary
(BLOCK LETTERS)



Director

KEITH BOWES

Name of director
(BLOCK LETTERS)

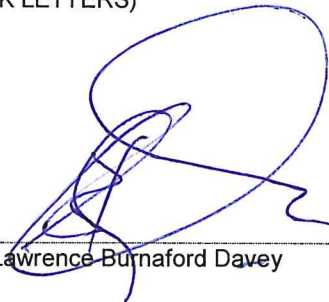
Signed sealed and delivered by **Grant
Lawrence Burnaford Davey** in the presence
of:



Signature of witness

STUART MCKENZIE

Name of witness (BLOCK LETTERS)



Grant Lawrence Burnaford Davey

118 BUSHEY RD, WEMBLEY DOWNS, WA

Address of witness