

JOINT VENTURE WITH YONGXING FOR LITHIUM PROJECTS

Highlights

- Eastern Resources and Yongxing Special Materials Australia Pty Ltd have incorporated a company to seek lepidolite lithium projects in Australia.
- Eastern Resources will further increase its focus on lepidolite lithium projects, seeking opportunities from exploration level targets through to operating mines.

Eastern Resources Limited (“Eastern Resources” or the “Company”) is pleased to announce that a new company, EFE Yongxing Pty Ltd (“JV Company”), has been incorporated by Eastern Resources and Yongxing Special Materials Australia Pty Ltd (“YSMA”), a subsidiary of Yongxing Special Materials technology Co. Ltd (“YONGXING”). Eastern Resources has 60% interest in the JV Company by contributing \$100,000 and YSMA has 40% interest by contributing \$900,000.

The JV Company is the corporate entity through which the Company and YSMA will seek lepidolite projects in Australia (“Projects”) and carry out any works related to pre-acquisition of the Projects, consistent with the parties’ objectives as set out in the Strategic Partnership with YONGXING (refer ASX release – 4 May 2022). Utilising the JV Company, Eastern Resources can increase focus not only on lepidolite projects, but also on lithium projects with both lepidolite and spodumene potential.

Eastern Resources has strengthened its relationship with YONGXING which focusses on lepidolite lithium mineralisation and YAHUA (refer ASX release – 15 November 2021) which focusses on spodumene lithium mineralisation. These two strategic relationships provide Eastern Resources with excellent coverage over the primary lithium sources.

Next Steps

Eastern Resources will explore for lepidolite as well as spodumene in the existing Trigg Hill Lithium Tantalum Project and Taylor Lookout Lithium Tantalum Project. Assay results from initial exploration programmes at the Trigg Hill Project are expected to be received and released before the end of the month and will focus ongoing exploration programmes at this project area.

The JV Company will actively seek lepidolite opportunities from exploration stage through to projects with established resources, and also will investigate any potential opportunities regarding producing lepidolite concentrates/DSO by co-operating with operating lithium mines and lithium projects in advanced stage.

About Yongxing Special Materials Technology Co. Ltd.

- YONGXING is an A-share listed company on the Shenzhen-stock exchange in China, with a market capitalisation of approx. RMB 54 billion (approximately A\$11.2 billion), principally engaged in the manufacture and sales of special steel and lithium salt products.
- YONGXING is one of a few lithium carbonate producers in China with a commercial refinery process utilising lepidolite concentrates as feed to produce battery grade lithium carbonate.
- YONGXING's existing operations have 10,000tpa refinery for lithium carbonate, and it is undertaking an expansion for a further 20,000tpa of lithium carbonate by the middle of 2022. In January 2022, YONGXING and CATL formed a lithium carbonate joint venture with annual capacity of 50,000 tons of lithium carbonate where YONGXING and CATL will hold a 30 percent and 70 percent stake in the joint venture respectively.
- YONGXING has a strong customer base including Xiamen Tungsten New Energy Materials Co., Ltd., Hunan Yuneng New Energy Battery Materials Co., Ltd., Shenzhen Defang Nano Technology Co., Ltd. and will supply CATL, Easpring Material Technology, Hunan Shanshan Energy Technology (now a JV with BASF Catalysts) and other industry leading enterprises when production expansion is completed.

ABOUT EASTERN RESOURCES LIMITED

Eastern Resources Limited (ASX: EFE) is an Australia based ASX-listed, emergent lithium focused exploration and development company.

The Company has the option to acquire 100% interest in the Trigg Hill Lithium-Tantalum Project which is strategically located in the historical lithium-tin-tantalum district in the Pilbara (WA), and has the right to acquire up to 85% Lithium Rights in the Taylor Lookout Lithium-Tantalum Project in Kimberley region (WA).

The Company has formed strategic partnership with Ya Hua International Investment and Development Co. Ltd, a wholly owned subsidiary of Yahua Group which is one of the largest Chinese lithium converters, to acquire and develop spodumene projects. The Company also has executed MOU with Yongxing Special Materials Technology Co. Ltd. ("YONGXING") for a strategic partnership to acquire and develop lepidolite projects. YONGXING is one of the major Chinese lithium converters using lepidolite concentrates as feed to produce battery grade lithium carbonate.

INVESTOR INFORMATION

Further information, previous Company announcements and exploration updates are available at the News and Reports tab on the Company's website – www.easternresources.com.au

This announcement has been authorised for release by the Board of the Company.

Myles Fang
Executive Director
Phone: 02-9906 7551

Jane Morgan
Investor and Media Relations
jm@janemorganmanagement.com.au

ASX: EFE

For enquiries on your shareholding or change of address please contact:
Boardroom Limited GPO Box 3993, Sydney NSW 2001 Phone: (02) 9290 9600