

21 April 2023

SCHEME IMPLEMENTATION AGREEMENT TERMINATED

Essential Metals Limited (**ASX:ESS**) (**Essential** or the **Company**) refers to its ASX announcement yesterday¹, where it reported that the resolution relating to the scheme of arrangement (the **Scheme**), under which Tianqi Lithium Energy Australia Pty Ltd (**TLEA**) proposed to acquire all the shares in Essential for \$0.50 per share in cash (the Scheme Resolution), was not approved by Essential shareholders at the Scheme Meeting held yesterday.

Essential can now advise that the Scheme Implementation Agreement (**SIA**) signed by TLEA and Essential on 8 January 2023² has been terminated by TLEA giving notice in accordance with clause 14.2(b)(iii) of the SIA.

Within the confines of the SIA, Essential has been progressing the Pioneer Dome Lithium Project with the main focus on exploration activities and planning for detailed feasibility studies. These activities can now be re-energised in earnest.

Essential is also now at liberty to engage with other parties, including those who participated in the Expressions of Interest (**EOI**) process in the December quarter, when Essential invited various local and international lithium participants interested in off-take and/or investment to participate in the EOI process as a key step in advancing the Pioneer Dome Lithium Project towards production.

Essential would also like to welcome the Mineral Resources Limited group of companies as a major shareholder with 19.55% of the issued shares in Essential³.

Chairman, Craig McGown, said: *“Looking forward, the Board and management are excited to get back to advancing Essential Metals, without constraints, for the benefit of all shareholders. Our Pioneer Dome Lithium Project is primed for development and the Company is extremely well placed to consider future strategic opportunities.*

I thank the Essential team, my fellow directors and our advisors for their tireless efforts and astute contributions. I would also like to take this opportunity to thank the TLEA executive team, its shareholders and its advisors, for the professional and cooperative approach in the lead up to and during the Scheme process.”

This ASX release has been approved by the Board of Directors.

For further information:

Tim Spencer, Managing Director
Essential Metals Limited
T: +61 8 9322 6974
E: tims@essmetals.com.au

Investor Relations

Nicholas Read
Read Corporate
T: +61 8 9388 1474
E: nicholas@readcorporate.com.au

¹ Refer ASX announcement dated 20 April 2023 titled “Results of Scheme Meeting”

² Refer ASX announcement dated 9 January 2023 titled “Essential and TLEA to enter into Scheme of Arrangement”

³ Refer ASX announcement dated 17 April 2023 titled “Mineral Resources shareholding in Essential Metals”