

ASX Announcement

30 October 2023

QUARTERLY ACTIVITIES REPORT

FOR THE QUARTER ENDED 30 SEPTEMBER 2023

Lightning Minerals ("LIM" or "the Company") is pleased to report its Quarterly Activities Report for the quarter ending 30 September 2023.

HIGHLIGHTS

ASX: LIM

Shares on Issue

48,457,170

Performance Rights

4,800,000

**Unlisted Options
Outstanding**

10,200,000 (exercisable at A\$0.25)

80,000 (exercisable at A\$0.30)

110,000 (exercisable at A\$0.40)

140,000 (exercisable at A\$0.50)

Listed Options Outstanding

26,728,543 (exercisable at A\$0.25)

Cash Position

A\$3.51 Million

(at 30 September 23)

- **Binding Agreement signed to acquire Dalmas and Hiver lithium Projects in James Bay, Quebec (Canada)**
- **Multispectral analysis has identified multiple pegmatite target areas at the Dalmas and Hiver Projects**
- **165 discreet signatures that form seven exploration target areas identified. Target areas up to 2.7km in length at Dalmas and 2.1km in length at Hiver**
- **Completion of drilling at Dundas project on tenement E63/2001**
- **Infill soil sampling started at Dundas tenement E63/2000 to define drill targets and following up on 218ppm lithium in soil anomaly**
- **Chief Executive Officer Alex Biggs has been promoted to position of Managing Director**

Lightning Minerals Managing Director Alex Biggs said, "The September Quarter has provided significant progress for the Company as we continue to refine our exploration strategy at our Dundas Project in Western Australia. Completion of our phase 1 drilling has allowed us to refine our exploration strategy with focus now on defining drill targets on tenement E63/2000. It is also a great success to sign a binding agreement for the Dalmas and Hiver Projects in James Bay, Quebec. This provides a significant increase in exposure to lithium potential in one of the premier lithium regions globally. The Company now holds highly prospective tenements with exposure to the green energy thematic in both Australia and Canada".

OPERATIONAL ACTIVITIES

DUNDAS PROJECT OVERVIEW (100% LIM)

Drilling at the Company's Dundas project continued during the Quarter focusing on tenement E63/2001. Multiple pegmatites were intersected during the campaign both through Aircore and RC drilling. Assays returned anomalous lithium results which has provided further opportunity to assess the potential source of mineralisation on tenement E63/2001. Infill soil sampling began on tenement E63/2001 with a view to identify drill targets for upcoming drilling. Initial soil sampling identified a lithium in soil anomaly of 8km² up to 218ppm lithium (ASX Announcement 23 March 2023).

EXPLORATION UPDATE FOR DUNDAS PROJECT

(ASX ANNOUNCEMENT 29 SEPTEMBER 2023)

and

FURTHER PEGMATITE INTERSECTIONS AT DUNDAS PROJECT

(ASX ANNOUNCEMENT 01 SEPTEMBER 2023)

and

RC DRILLING BEGINS ON LITHIUM TARGETS AT DUNDAS SOUTH PROJECT

(ASX ANNOUNCEMENT 14 AUGUST 2023)

- **Discrete pegmatite intersections between 52m to 93m downhole in drill hole DSRC0029**
- **Multiple pegmatite intersections encountered across tenement E63/2001 through Aircore and RC drilling**
- **No significant lithium-Caesium-tantalum (LCT) results reported at this stage but subject to potential further evaluation and future exploration**

EXPLORATION SUMMARY FOR DUNDAS SOUTH TENEMENT E63/2001

The maiden drill program at the Dundas South Project has been successful in locating a felsic pegmatitic hydrothermal system within E63/2001. Assays have now been received for all pegmatite samples submitted for laboratory analysis.

Results for lithium-caesium-tantalum are subdued overall. Some minor but non-material elevations in caesium, tantalum and tin are present in drill hole DSRC0029. These may form the basis of further review which may determine future exploration activities within tenement E63/2001. Evaluation of results is currently underway to determine a relevant strategy for targeting potential LCT pegmatite bodies concealed under salt lakes to the north-west of the completed drilling. This area falls within the prospective Mt Kirk mafic geological unit that transects the tenement in a north-north-west orientation.

The geological thesis for exploration within E63/2001 was that concealed LCT pegmatites may generate a sufficient geochemical signature through the transported cover above to cause a geochemical response in the soil. Previous exploration works by the Company utilising soil geochemistry identified lithium-rubidium in-soil anomalies, these broadly coincide with the location of the pegmatites uncovered during recent drilling (ASX Announcement 23 January 2023). Additionally, geophysical targets interpreted from aeromagnetic interpretations further warranted drill testing and formed the basis for drill targeting.

Future exploration in this area will continue to search for pegmatites of a similar fractionated state/mineralised phase to those present at Liontown Resources' (ASX: LTR) Buldania/Anna lithium

deposit to the north. The discovery of the unmineralised pegmatite bodies under cover, at the scale they have been intersected downhole, is considered a positive indicator for the prospectivity for the tenement. Other areas with similar transported cover within the tenement may also host similar pegmatitic hydrothermal fluid systems without surficial expression, but within a geochemical setting more aligned with the nucleation of lithium bearing minerals.

Figure 1: Geological cross section 'A' - interpreted pegmatite after intersections in holes DSAC0031-DSAC0034, and DSRC0029 and DSRC0030

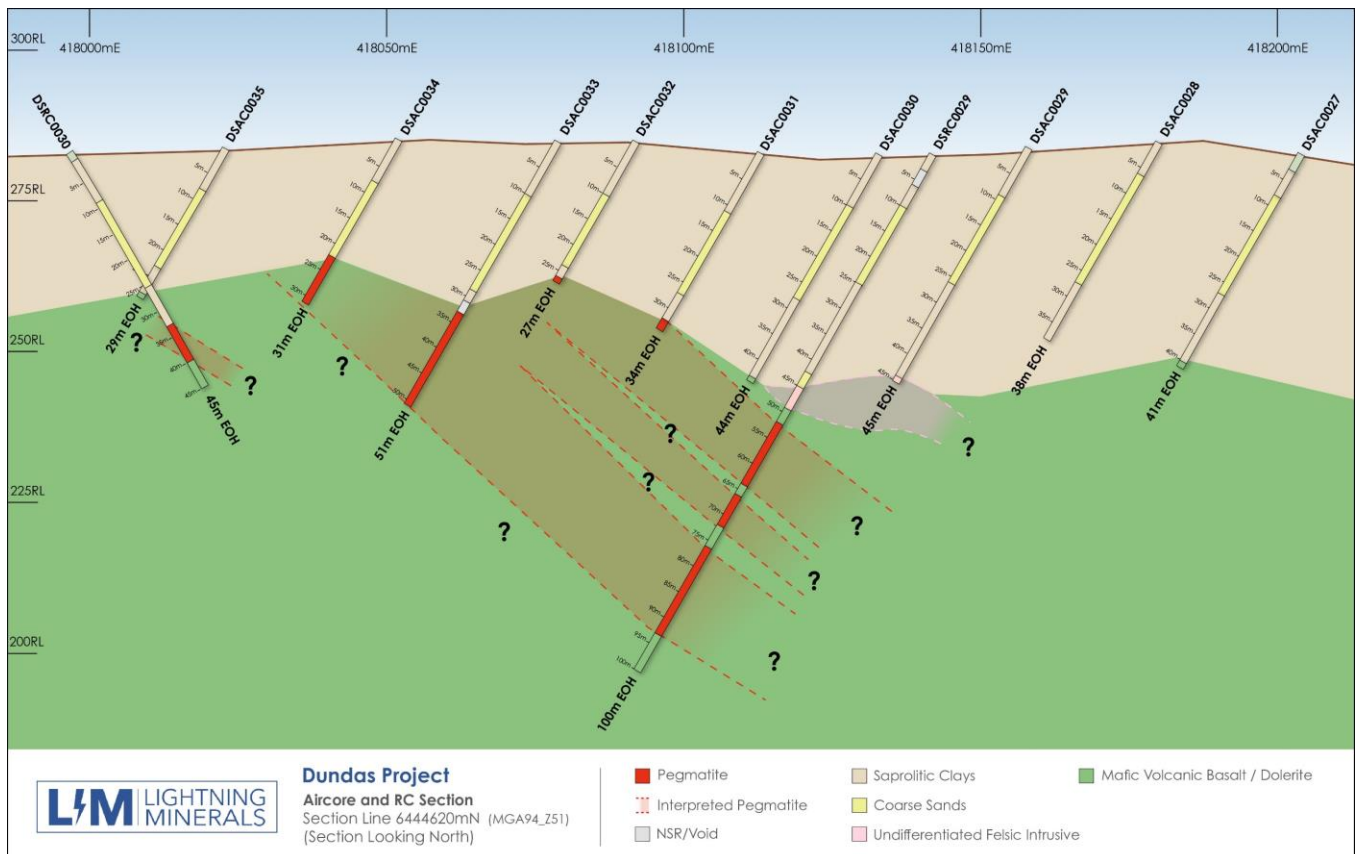
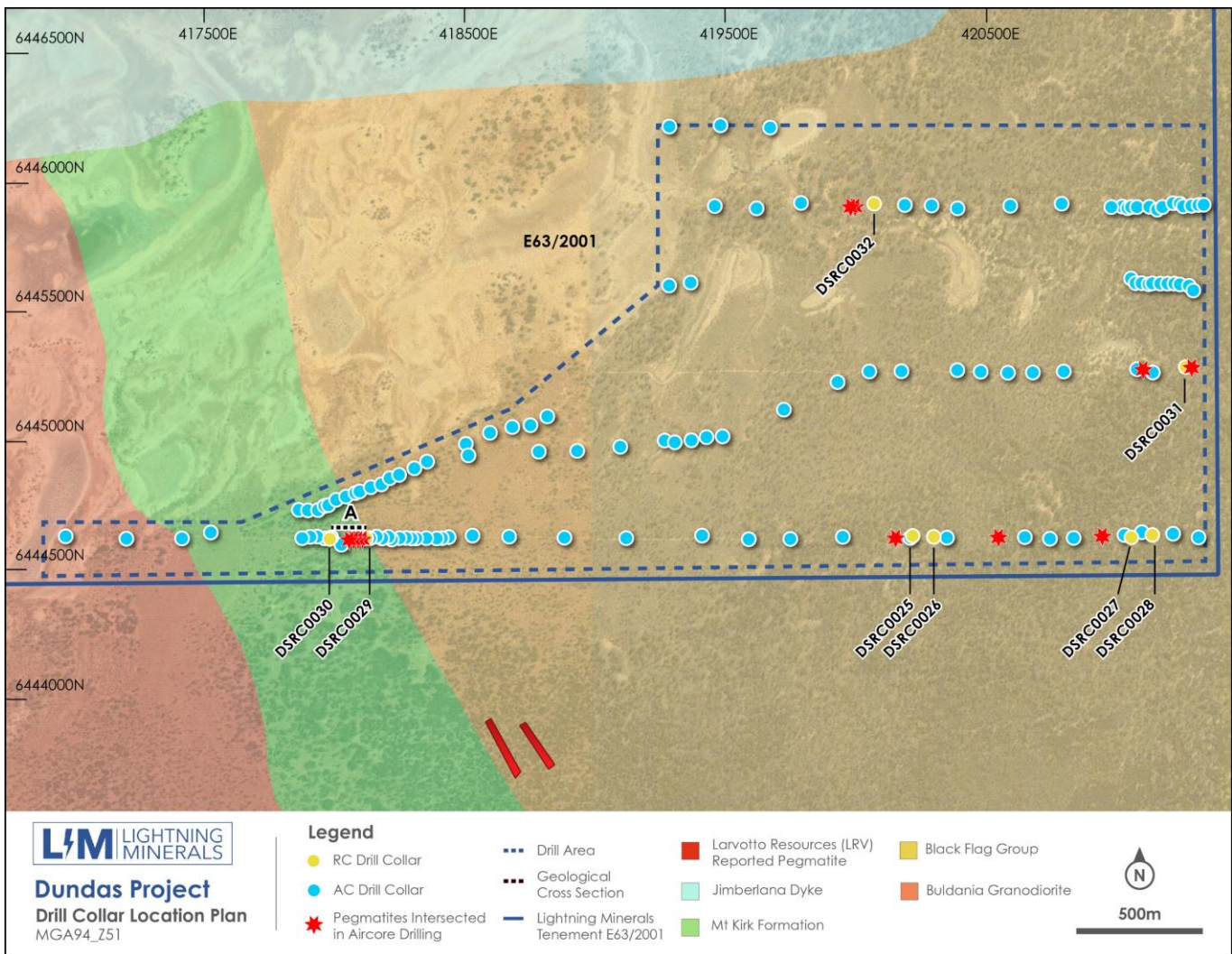


Figure 2: Drill location map showing RC drill areas and intersected pegmatite locations



INFILL SOIL SAMPLING BEGINS ON LITHIUM TARGETS AT DUNDAS SOUTH PROJECT TENEMENTS E63/2000 AND E63/1993

(ASX ANNOUNCEMENT 02 AUGUST 2023)

- **Follow up infill soil sampling designed to follow up on successful geochemical results that identified 8km² lithium in soil anomaly up to 218ppm lithium** (ASX Announcement 23 March 2023)
- **1500 samples are planned, which will increase the sampling density to approximately 200m x 200m, and to 100m x 100m over higher priority areas**
- **UFF+ Analysis techniques to be employed with 62 elements to be assayed for**

INFILL SOIL SAMPLING STRATEGY

The strategy for soil sampling is to infill the current areas of interest which were initially sampled on 400m x 400m centres. The planned infill soil sampling is shown in Figure 3 with the aim to provide a more targeted area for start of drilling as the current area of interest is large at 8km².

Sampling will be reduced to 100m x 100m centres over the highest levels of anomalism. This will provide the company with a higher resolution of results which will feed directly into follow up exploration drilling. Within the broader zones of anomalism, sample spacing will expand to 200m x 200m to assist in delineating drill targets.

It is important to provide a hierarchy of drill targets to increase the chance of drilling success particularly as the tenements have a degree of alluvial cover. This is seen as an opportunity as demonstrated by the Company's recent successful drilling on tenement E63/2001 where multiple pegmatites have been intersected under alluvial cover (ASX announcement 13 July 2023). Further infill sampling is proposed and being assessed on the Company's other Dundas tenements with the plan to delineate multiple high-quality drill targets.

PREVIOUS GEOCHEMICAL RESULTS ON TENEMENTS E63/2000 AND E63/1993

Previous geochemical results for tenements E63/2000 and E63/1993 (ASX announcement 23 March 2023) identified a broad, moderate to high tenor lithium-in-soil geochemical anomaly over an approximate 3.5km x 2.4km area with assays up to 218ppm lithium as shown in Figure 4.

The broad and consistent tenor of the anomalism is considered a positive indicator given the resolution of the sampling grid at 400m centres. Within the greater anomalous zone five samples have returned lithium values of over 150ppm lithium, with a peak result of 218ppm lithium. These sites occur within a clustered zone near the centre of the anomaly, thus indicating that a closer spaced soil sampling program is required to identify a starting point for exploration drilling.

The underlying bedrock geology consists of ultramafic and mafic volcanics hosted within a felsic granitic pluton as recorded in state interpreted geological datasets. Locally there appear to be multiple phases or 'pulses' of granitic intrusive events as evidenced by the unique geophysical signature of each 'pulse'. Dependent on the timing and geochemistry these various pulses may have experienced the right conditions to emplace LCT pegmatites in the surrounding host rocks.

Figure 3: Planned infill soil sampling campaign on tenements E63/2000 and E63/1993

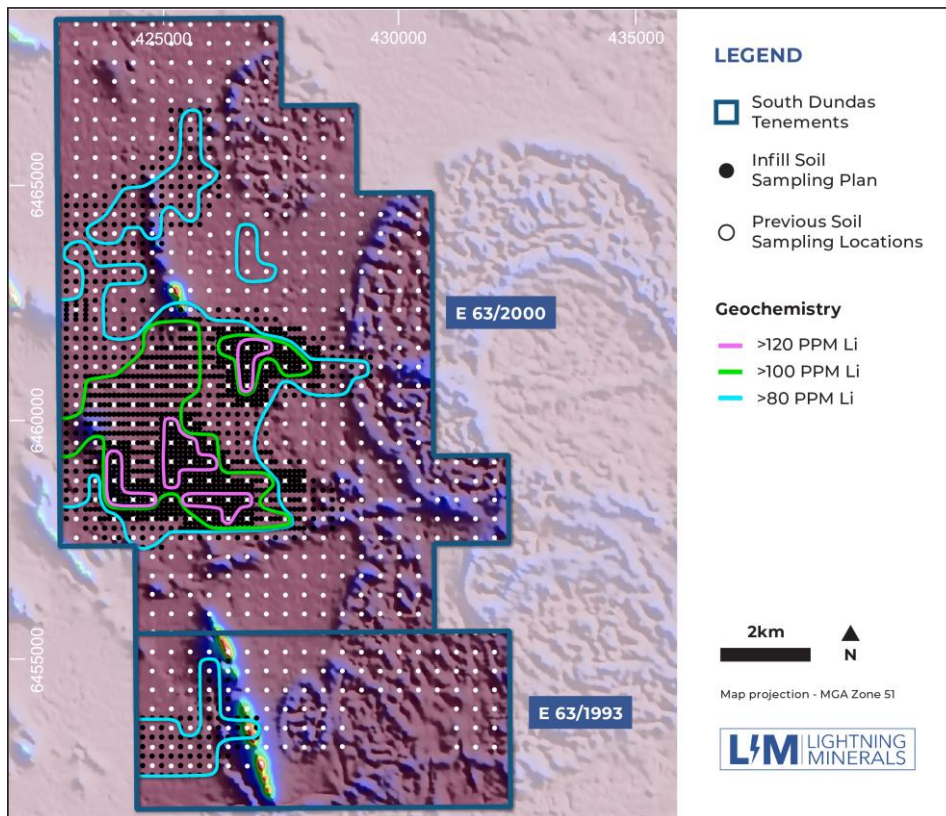
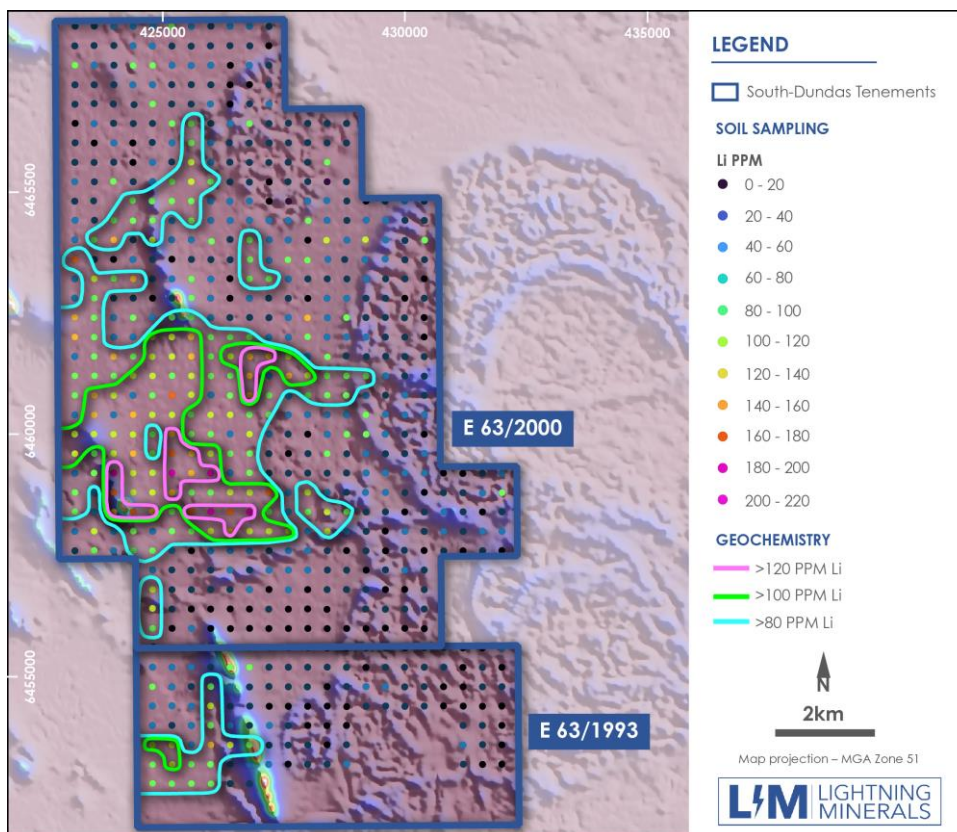


Figure 4: Lithium in soil geochemical results within E63/2000 and E63/1993, shown on Analytic Signal Total Magnetic Intensity geophysical image

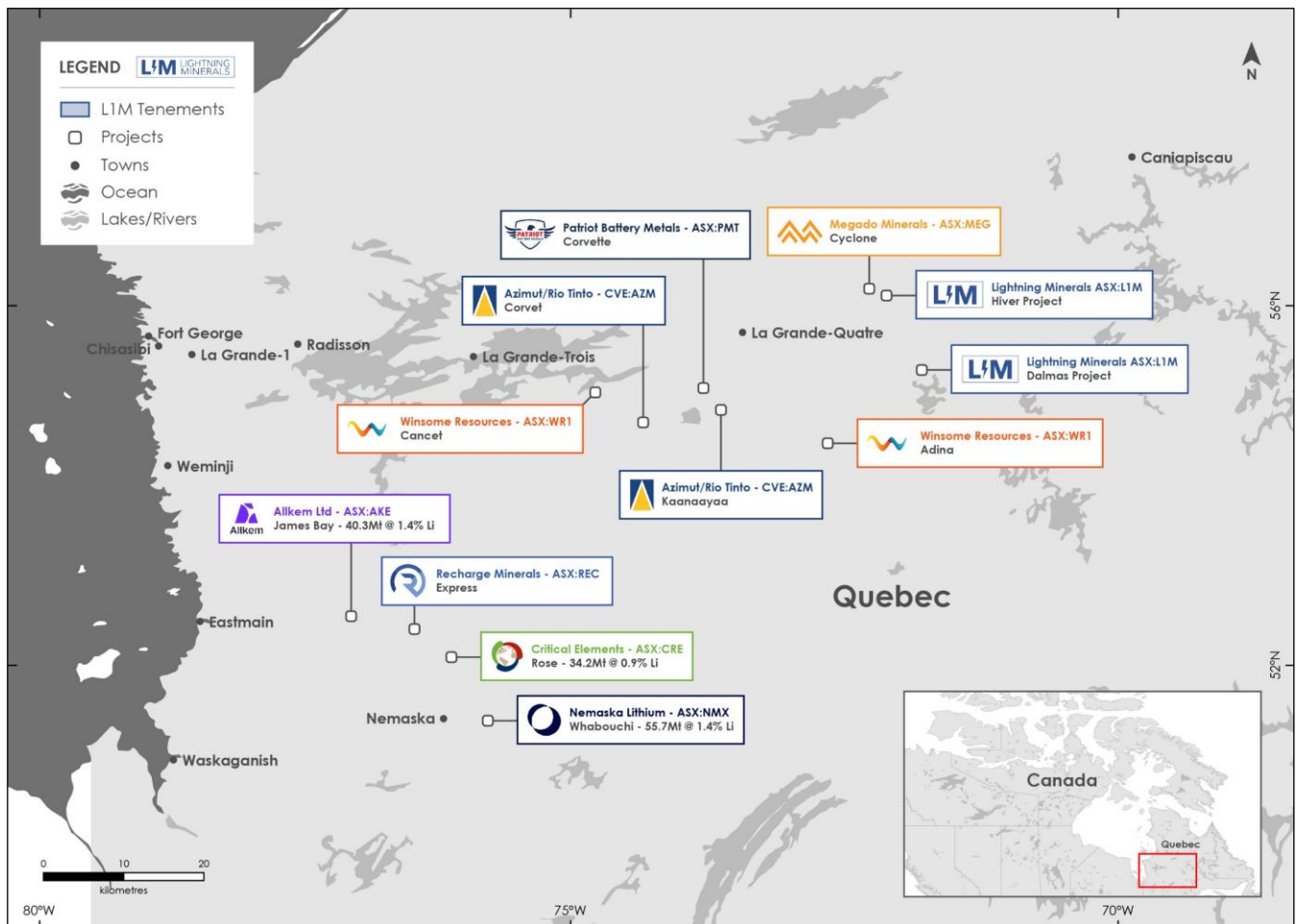


JAMES BAY, CANADA PROJECT OVERVIEW – DALMAS AND HIVER (100%LIM)

The Company entered into a Binding Letter of Intent on 11 August 2023 to purchase 100% interest in two projects in the James Bay region of Quebec, Canada. The acquisition was completed on 16 October 2023.

James Bay is a prolific emerging lithium province which hosts multiple large scale lithium projects including Allkem's (ASX: AKE) James Bay lithium project with 40.3Mt @ 1.4% Li₂O Indicated resource¹, Nemaska Lithium's (TSX: NMX) Whabouchi lithium project with 55.7Mt @ 1.4% Li₂O² consisting of 38.5Mt @ 1.45% Li₂O Measured and Indicated and 17.2Mt @ 1.29% Li₂O Inferred, Critical Elements' (TSX.V: CRE) Rose lithium project with 34.2Mt @ 0.9% Li₂O³ consisting of 31.5Mt @ 0.91% Li₂O Indicated and 2.7Mt @ 0.77% Li₂O Inferred and Sayona Mining's (ASX: SYA) Moblan lithium project with 51.4Mt @ 1.3% Li₂O⁴ Measured, Indicated and Inferred. The region is also home to Patriot Battery Metals' (ASX: PMT) Corvette lithium Project consisting of 109.2Mt @ 1.42% Li₂O⁵ Inferred, currently the largest hard rock lithium deposit in the Americas and Winsome Resources' (ASX: WR1)⁶ who are exploring multiple lithium exploration projects in the region.

Figure 5: Dalmás and Hiver project locations, James Bay, Quebec



¹Allkem's ASX Announcement 21 December 2021, ²Nemaska Lithium's TSX Announcement 09 August 2019

³Critical Element's TSX.V Announcement 27 July 2022, ⁴Sayona Mining's ASX Announcement 17 April 2023

⁵Patriot Battery Metals (PMT) ASX Announcement 31 July 2023, ⁶Winsome Resources (WR1) ASX Announcement 01 August 2023

BINDING LETTER OF INTENT SIGNED FOR JAMES BAY LITHIUM PROJECTS

(ASX ANNOUNCEMENT 11 AUGUST 2023)

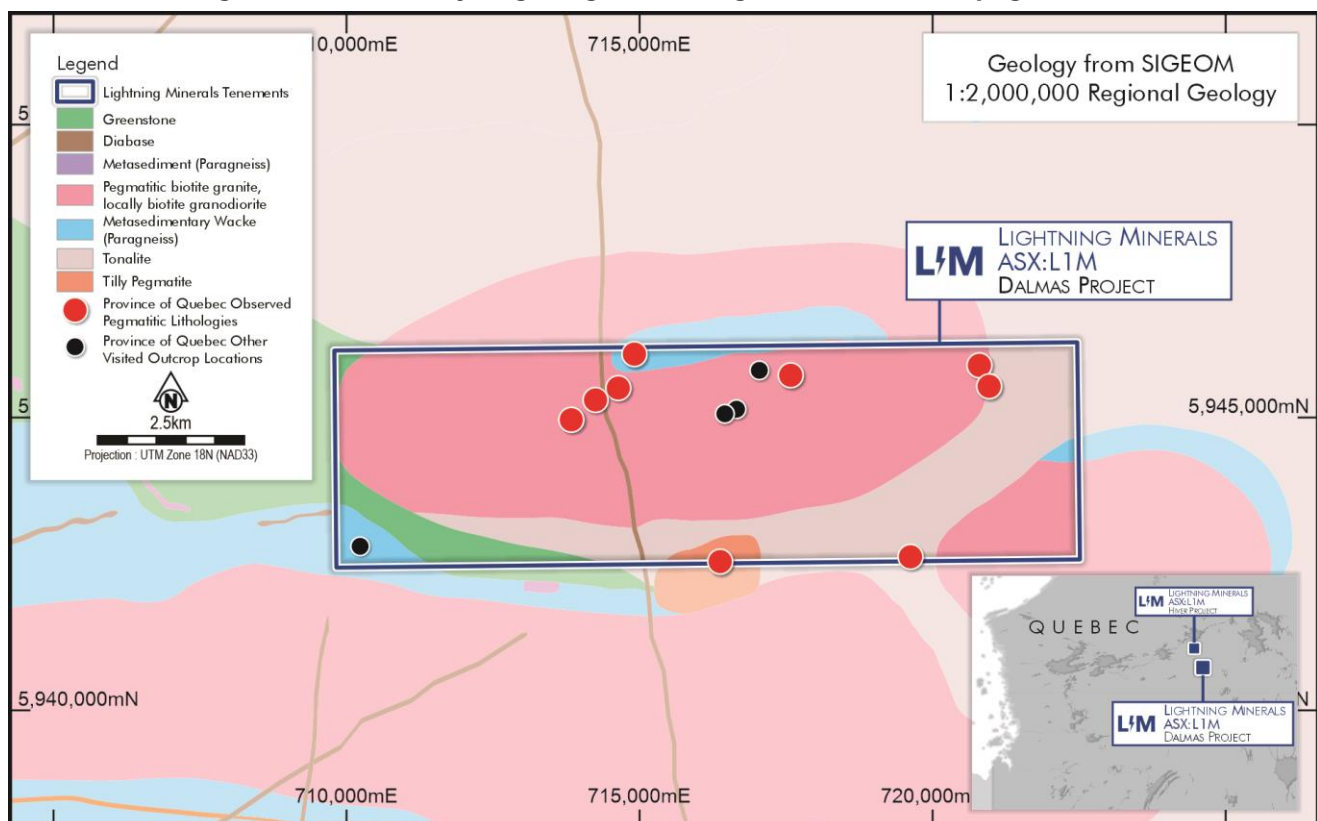
- **Binding LOI entered into to acquire the Dalmas Project (47km²) and Hiver Project (32km²) in the prolific lithium region of James Bay, Quebec, Canada**
- **Both projects have historical reports of outcropping pegmatites as mapped by Québec's Ministry of Natural Resources and Forests (MERN). Ground reconnaissance is to begin immediately post deal completion**
- **This adds to the Company's exciting flagship Dundas Project in Western Australia**

DALMAS PROJECT

The Dalmas Project is located in the James Bay region of Quebec approximately 150km to the east of Patriot Battery Metals' (ASX: PMT) Corvette lithium Project and 45km to the east of Winsome Resources' (ASX: WR1) Adina lithium Project. The project area consists of felsic intrusive lithologies which are juxtaposed against greenstone and metasedimentary units. This geological setting is considered favorable to host pegmatite emplacement and potential for lithium-caesium-tantalum (LCT) mineralisation. The project covers an area of 47km².

Very limited exploration has occurred within the tenement boundaries with 13 sites with geological observations being recorded. Of these, 9 have been described as 'pegmatitic'. All reported pegmatite outcrops will be investigated during early exploration activities with an emphasis on ground truthing the reported pegmatitic lithologies. The remaining four outcrop locations with historical mapping will also be investigated, as three of these have site interpretations that include a coarse grained description.

Figure 6: Dalmas Project geological lithologies and identified pegmatites

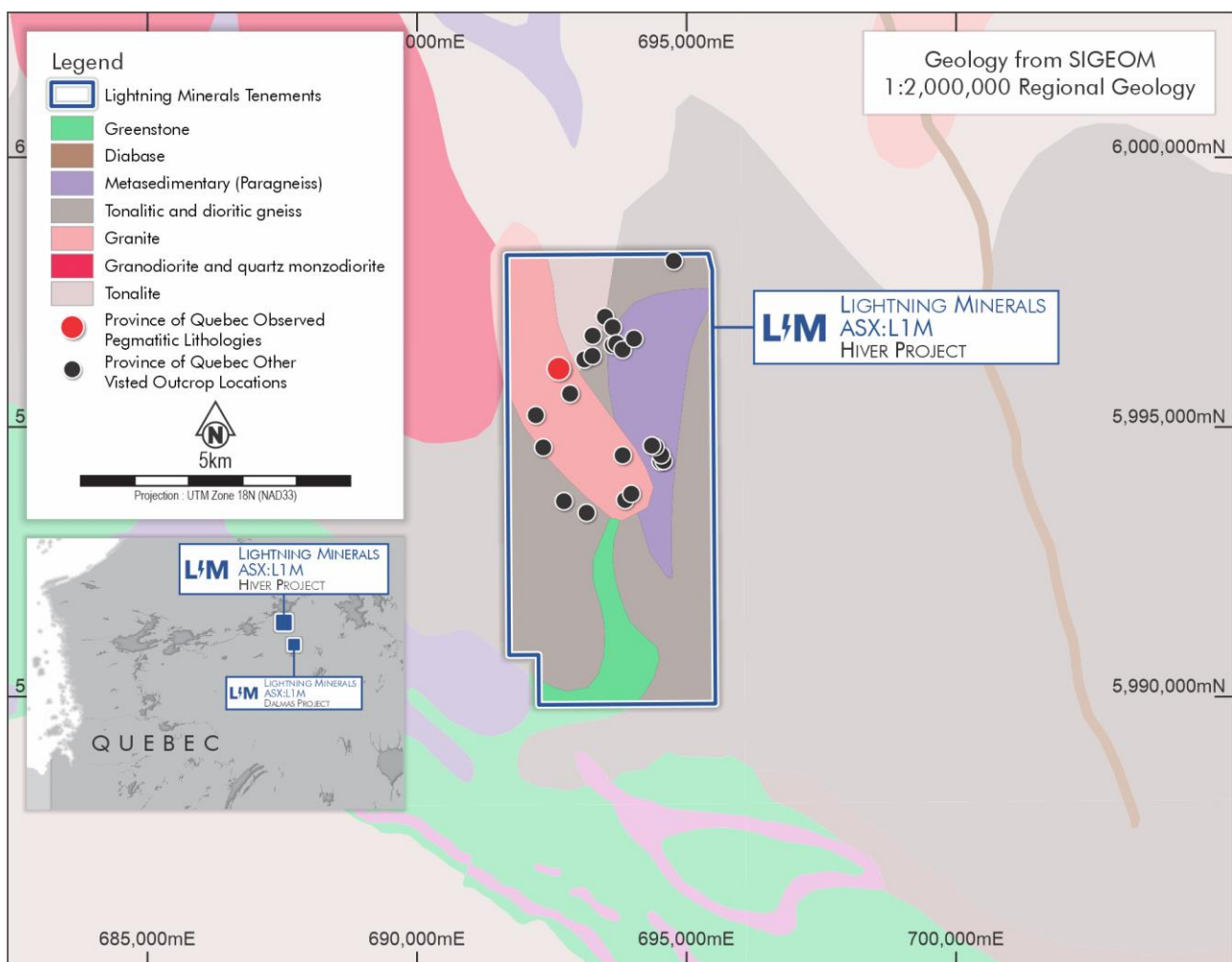


HIVER PROJECT

The Hiver Project is also located in the James Bay region of Quebec and covers an area of 32km² and is located approximately 4km from the Trans-Taiga Road highway. The project is adjacent to Megado Resources' (ASX: MEG) Cyclone lithium Project and in the proximity of multiple lithium exploration opportunities. The project demonstrates an interpreted folded and faulted extensions of greenstone lithology (Aquilon Group) against granites of the Tramont Suite, thus it is thought to provide a geologically favorable host environment for potential hard rock LCT pegmatite style mineralisation.

The project also has one historical outcrop mapping location, recorded by Québec's Ministry of Natural Resources and Forests (MERN) which describes a 'pegmatitic lithology' in the north of the tenement (Figure 7). It is the opinion of the Company that the greenstone extension holds the most prospectivity for hosting potential lithium bearing pegmatites based on other projects in the surrounding area. Historic mapping of the area is sparse in nature, with one outcrop being described as a pegmatitic intrusion.

Figure 7: Hiver Project geological lithologies and identified pegmatites



REGIONAL GEOLOGY OVERVIEW

The Dalmas and Hiver Projects are thought to hold considerable potential for LCT style mineralised systems due to the underlying geological conditions present at each location. The James Bay region of

Quebec is becoming synonymous with a favorable regional geological setting for hard rock LCT style lithium mineralisation.

Multiple projects are experiencing exploration success in the region where greenstone lithologies, proximal to tonalites and other intrusive felsic lithologies, are host to large lithium bearing pegmatite systems as reported by other ASX listed entities who are exploring within the area^{7,8}.

Both the Dalmas and Hiver Projects display similar characteristics, and in conjunction with the observed pegmatitic lithologies across both projects, the company believes that prospectivity warrants acquisition.

The geological maps of the Dalmas and Hiver Projects (Figure 6 and 7 respectively) were compiled with data from the geological database of Québec's Ministry of Natural Resources and Forests (MERN). All geological information presented in this announcement can be accessed through the Quebec Government SIGÉOM database or through the noted references.

QUEBEC, CANADA – ONE OF THE WORLD'S LEADING LITHIUM REGIONS

The Quebec government is actively investing in the lithium sector including exploration grants as well as funding development of infrastructure. Canada's federal government and the Quebec government announced in May 2023 that it will each provide C\$150 million for a General Motors-POSCO Chemical battery materials facility that is expected to create about 200 jobs. The facility will be built in Becancour, Quebec, to produce cathode active material for electric vehicle batteries. Ford recently agreed an offtake agreement with Nemaska Lithium to purchase up to 13,000 tons per annum of lithium hydroxide further demonstrating the move by manufactures into both Quebec and Canada as a whole.

Canada is aggressively pursuing the lithium industry from both mining and downstream manufacturing perspectives with a view to establishing an end-to-end electric vehicle supply chain. The state of Ontario has successfully attracted Tesla, Volkswagen, Stellantis, LG Energy Solutions and Unimore to manufacture battery cells, battery components and electric vehicle parts.

Due to Canada's proximity to the United States and abundance of lithium it is crucially important to be manufacturing in the United States. There are multiple significant lithium resources that are yet to be developed and current production is small. However, the current levels of investment in the lithium sector and continued support from the Canadian government will likely see Canada become one of the world's top lithium producers over the next decade.

ACQUISITION TERMS

The Company was granted an exclusivity period of 60 days, at a cost of A\$30,000, commencing 10 August 2023 during which time it undertook due diligence on the projects. Subsequent to end of Quarter the Company satisfied its due diligence and entered into a binding sale agreement for the Dalmas and Hiver projects (ASX Announcement 27 September 2023) and the Company completed the acquisition on 16 October 2023.

Consideration to Vendor or its Nominees

- Paid A\$250,000 in cash
- 1,406,864 ordinary shares in the Company (escrowed for 12-months) at \$0.177 per share issue price, issued on 16 October 2023 without prior shareholder approval utilising the Company's current 15% placement capacity under ASX Listing Rule 7.1 (Consideration Shares).
- Grant 2.0% Net Smelter Royalty, of which 1.0% may be bought back by the Company at any time for A\$1.0 million. The NSR is applicable across both projects.

Milestone payments (Milestone Shares) will be made as follows:

Milestone 1: A\$300,000 of ordinary shares in the Company based on five (5) rock chip samples of >1.0% Li₂O. Samples are to be no less than 50m from nearest sample grading >1.0% Li₂O to be considered as contributing to milestone. Samples may be taken from either project with 5 samples not necessarily required from one specific project. Milestone can be achieved from either project.

Milestone 2: A\$400,000 of ordinary shares in the Company based on either a 5m channel sample or drill intercept of >5m true width grading at >1.0% Li₂O. Milestone can be achieved from either project.

Milestone 3: A\$500,000 of ordinary shares in the Company based on JORC or 43-101 compliant Resource estimate of not less than 5.0Mt containing not less than 50,000t of Li₂O or equivalent in the Inferred, indicated or Measured category using a cut-off of not less than 0.40% Li₂O and to be calculated in accordance with Section 50 of the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves – The JORC Code). Milestone can be achieved from either Project.

All milestone share quantities are to be calculated using the VWAP over the fifteen twenty (1520) consecutive trading days on which the Company's securities have actually traded prior to the relevant announcement for achievement of the specific Milestone on the ASX subject to a floor price or minimum issue price of \$0.0925 (9.25 cents) per share.

MULTIPLE TARGETS IDENTIFIED AT JAMES BAY LITHIUM PROJECTS

(ASX ANNOUNCEMENT 30 AUGUST 2023)

- **Multispectral analysis (Sentinel 2 and ASTER satellites) has identified multiple pegmatite target areas at the Dalmas and Hiver Projects**
- **165 discreet signatures that form seven exploration target areas identified across both projects. Target areas up to 2.7km in length at Dalmas and 2.1km in length at Hiver**
- **Results form the basis of phase 1 sampling, ground truthing and reconnaissance which is planned to begin post deal completion**

Multispectral data covering the Dalmas and Hiver Projects has been interrogated with analysis of both Sentinel 2 and ASTER satellite data completed. Multiple areas of interest have now been identified with a total of 165 discreet multispectral targets for follow up field investigation. The identified target areas extend up to 2.7km in strike on the Dalmas Project and 2.1km on the Hiver Project.

The Dalmas Project area exhibits 113 potential targets, the remaining 52 targets occur within the Hiver Project tenure. The majority of multispectral targets appear to occur in four clustered areas at Dalmas, and three at Hiver. Identifying these target areas is a crucial step in defining a phase 1 work program consisting of rock chip sampling and ground reconnaissance which will focus on the potential identification of lithium bearing pegmatites. Phase 1 works are planned to begin immediately following satisfaction of due diligence and deal completion.

DALMAS PROJECT - TARGET GENERATION

The Dalmas Project is located in the James Bay region of Quebec approximately 150km to the east of Patriot Battery Metals' (ASX: PMT) Corvette lithium project and 45km to the east of Winsome Resources' (ASX: WR1) Adina lithium project. Within the Dalmas Project area 113 discrete multispectral signatures have been identified, which broadly form four clustered areas for follow up investigation (Figures 8 and 9). These signatures have the potential to represent lithium-caesium-tantalum (LCT) pegmatites. Field verification will be conducted during the phase 1 work program phase.

Figure 8: Dalmas project with identified multispectral pegmatite targets (red outlines) on Sentinel 2 composite image

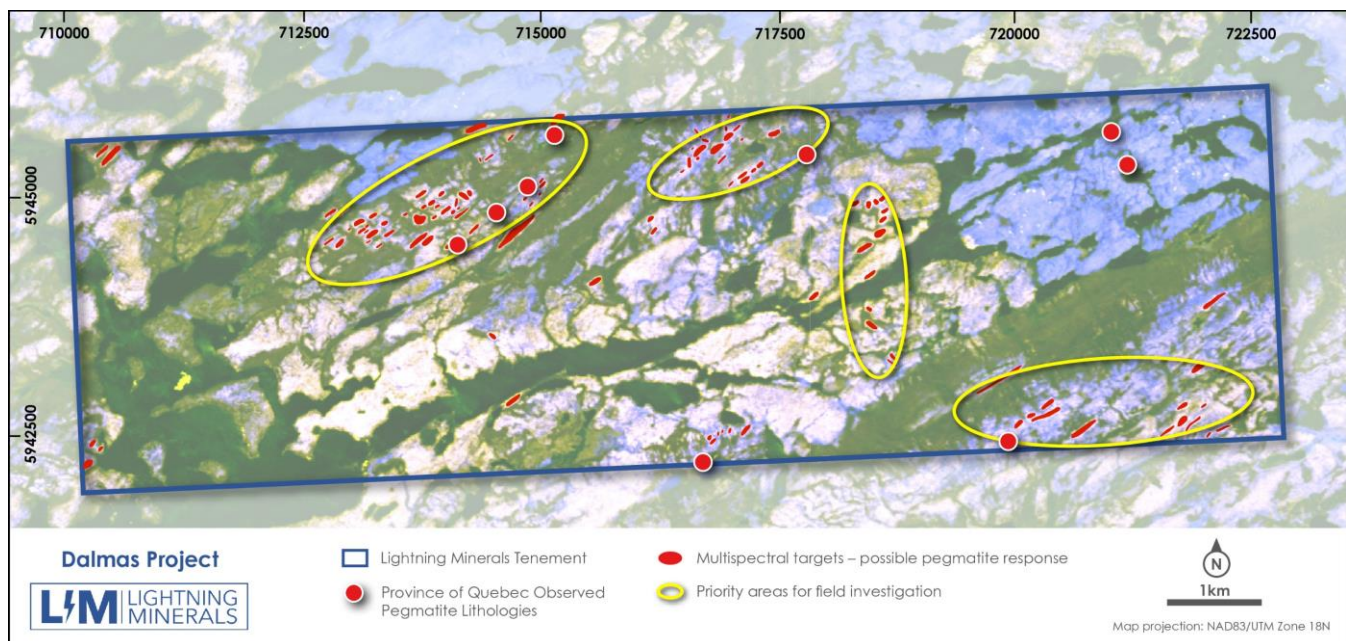
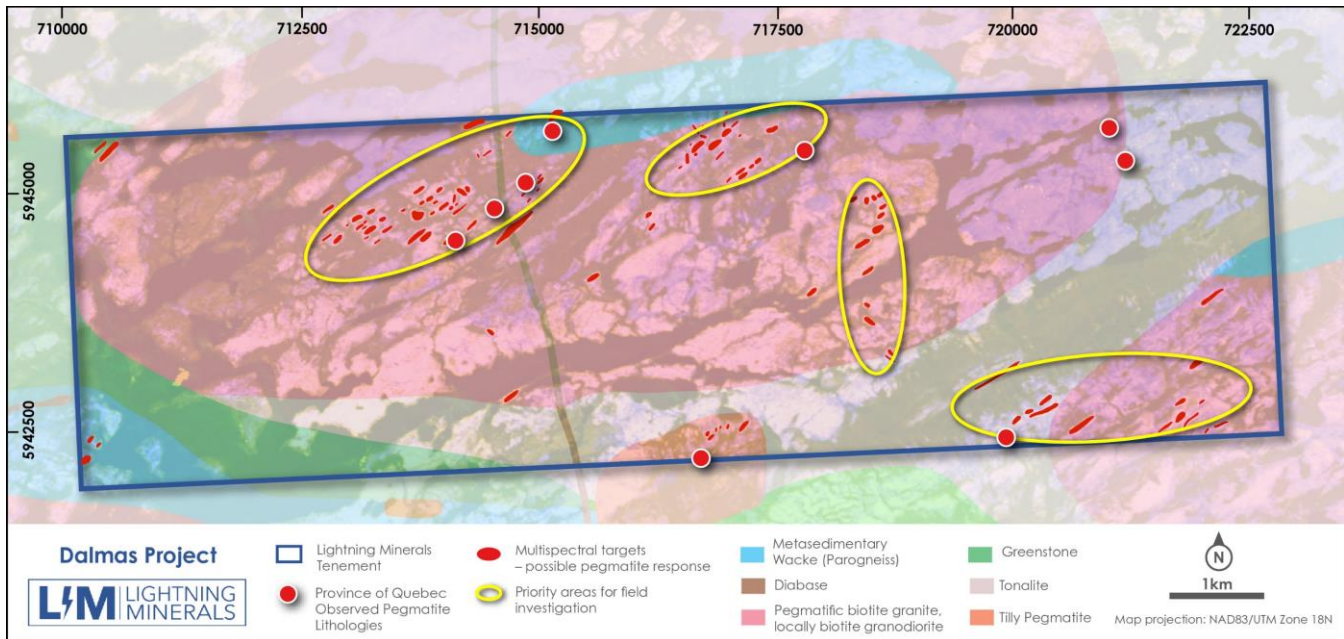


Figure 9: Dalmas project with identified multispectral pegmatite targets (red outlines) on Sentinel 2 composite image and 1:2,000,000 QGS interpreted bedrock geology



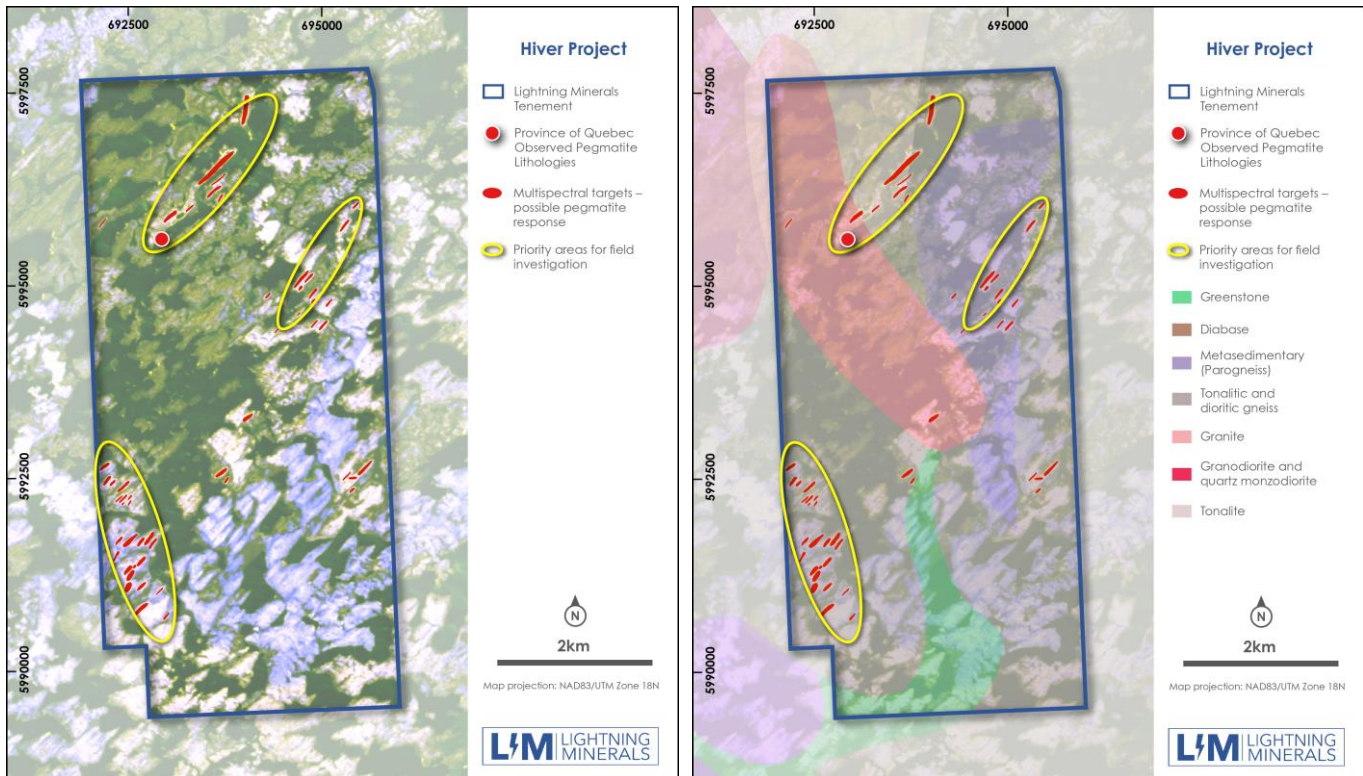
The Dalmas project geology is interpreted by Quebec Geological Survey (QGS) at a 1:2,000,000 scale, this can be summarised at a project scale as felsic intrusive lithologies (granite/tonalites) juxtaposed against greenstone and metasedimentary units. The Quebec Geological Survey historic outcrop mapping information is also displayed in Figure 9, with previously mapped outcropping pegmatitic lithologies occur at three of the four priority areas. These sites will be visited as a priority during the phase 1 work program for verification. The prospect scale relationship between the geological setting, the QGS mapped pegmatitic outcrops and the potential for LCT pegmatite mineralisation will be a focus for field investigations.

HIVER PROJECT MULTISPECTRAL ANALYSIS

The Hiver Project is also located in the James Bay region of Quebec, covers an area of 32km² and is located approximately 4km from the Trans-Taiga Road highway. The Project is adjacent to Megado Resources' (ASX: MEG) Cyclone lithium project and in the proximity of multiple lithium exploration opportunities. The Hiver project contains 52 discrete potential pegmatite signatures have been identified, which broadly form three clustered areas for follow up investigation (Figures 10 and 11). Quebec Geological Survey historic outcrop mapping information is also displayed in Figure 7. Previously mapped outcropping pegmatite lithologies occur at one of the three priority areas.

The Hiver Project geology is interpreted to consist of folded and faulted extensions of greenstone lithologies (Aquilon Group) against granites of the Tramont Suite. At this early stage of exploration, and similar to the Dalmas Project the relationship between the geological setting, the historic QGS mapped pegmatitic outcrops and the potential for economic LCT pegmatite mineralisation will be a focus for field investigations.

Figure 10 and 11: Dalmas project with identified pegmatite targets (red outlines) on Sentinel 2 composite image; and 1:2,000,000 QGS interpreted bedrock geology



SATELLITE MULTISPECTRAL ANALYSIS

Multispectral analysis can be used as a mineral exploration tool by accessing data collected by specialised satellites. These satellites have instrumentation capable of measuring the spectral response of outcropping lithologies at the surface of the earth. The data collected can be used to aid early regional scale exploration by focusing early exploration efforts on areas that are more likely to have the right geological conditions to support the target exploration commodity.

Both ASTER and Sentinel-2 multispectral data covering the Dalmas and Hiver projects has been utilised to generate the target areas presented herein. These satellites collect thermal infrared, visible near-infrared, and shortwave infrared data which has been processed following industry leading techniques⁸. These methods have been developed to target outcropping LCT pegmatites at other project areas, the learnings are then applied elsewhere for image and target generation.

For the purpose of targeting at the Dalmas and Hiver Projects the spectral signature of the known outcropping lithium pegmatites at Winsome Resources' (ASX: WR1) Adina and Jamar projects were measured. The spectral response signature over known outcropping LCT pegmatite areas was used as an analogue to aid exploration by identifying similar targets within the Project areas. The Adina and Jamar projects can reasonably be considered to have desirable outcropping lithologies that are appropriate analogues for targeting at the Dalmas and Hiver projects.

ROCK CHIP SAMPLING AND RECONNAISSANCE PROGRAM

Subject to the end of Quarter a phase 1 exploration program which will include rock chip sampling, ground truthing and reconnaissance has been planned to begin mid-October 2023 with field support from Québec based geological contractors.

MT JEWELL PROJECT (100% LIM)

Review and interpretation of existing drilling data has been completed during the period and is ongoing subsequent to end of quarter including a geophysical review of potential drill targets. POW applications have been approved by The Department of Mines, Industry Regulation and Safety (DMIRS). Heritage agreements have been executed.

MAILMAN HILL PROJECT (100% LIM)

Data review and interpretation of existing drilling data has been completed during the period and is ongoing subsequent to end of quarter to determine potential for an inaugural drill campaign in early 2024 targeting gold mineralisation and potential extensions to Cavalier Resources (ASX: CVR) Crawford project. POW applications have been approved by The Department of Mines, Industry Regulation and Safety (DMIRS). Heritage agreements have been executed.

MT BARTLE PROJECT (100% LIM)

Application for the Mt Bartle tenements is still pending. Data review and analysis is ongoing and continues subsequent to the end of quarter. Discussions regarding execution of heritage agreements are still ongoing.

CURRENT WORK PROGRAMS

Drilling on the Company's Dundas E63/2001 were completed during the quarter with infill soil sampling on Dundas tenements E63/2000 and E63/1993 ongoing subsequent to end of Quarter. Planning is underway for drilling on tenements E63/2000 and E63/1993 and planning is also underway for phase 1 exploration works at the Company's newly acquired Hiver and Dalmas projects to begin in October 2023.

PERMITTING, HERITAGE AGREEMENTS AND POW APPLICATIONS

A summary of POW applications and status is shown in Table 1 as at 30 September 2023.

Table 1: Current POW applications with Department of Mines, Industry Regulation and Safety (DMIRS)

Project	Tenement	Drill type	Approved
Dundas Sth	E63/2001	RC	Yes
Dundas Sth	E63/2001	AC	Yes
Mt Jewell	E27/566	DD	Yes
MM Hill	E37/1408	RC	Yes
Dundas Sth	E63/2000	Auger	Yes
Dundas Sth	E63/2000 and E63/1993	AC	Yes
Dundas Sth	E63/2000 and E63/1993	DD + RC	Pending

Figure 12: Lightning Minerals' project tenement summary

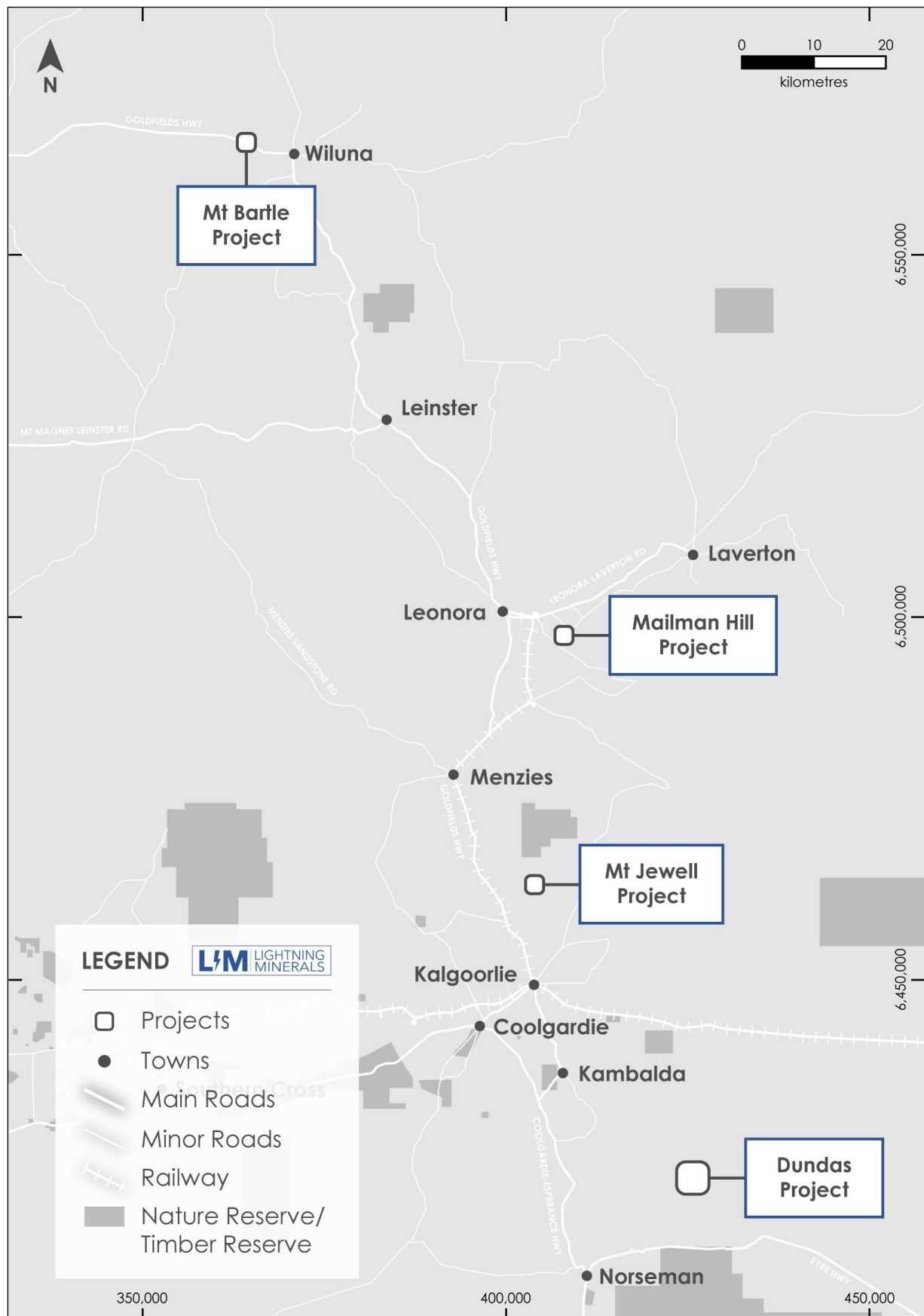
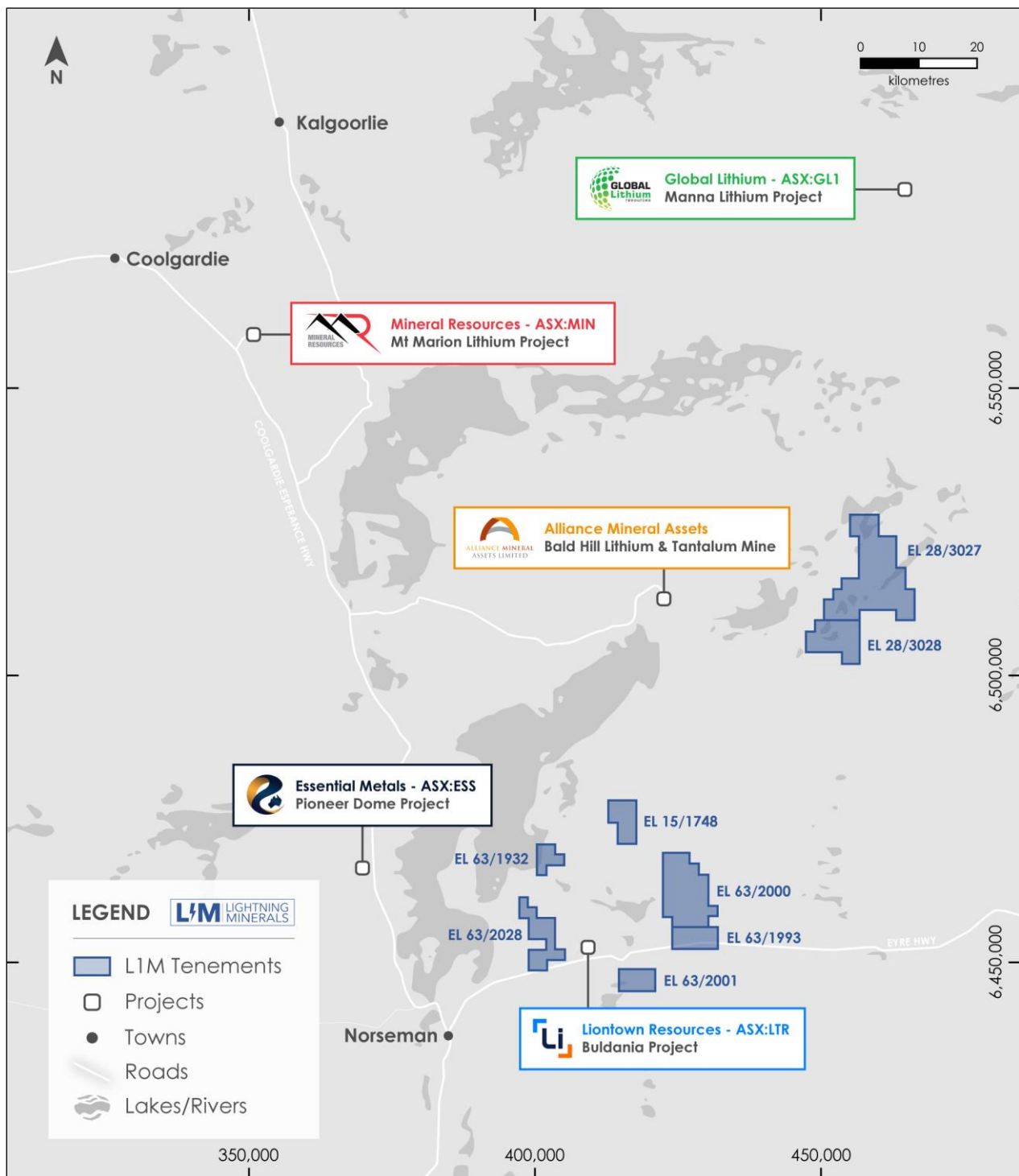


Figure 13: Location of Dundas project tenements



OTHER RELEVANT ANNOUNCEMENTS DURING THE QUARTER

BOARD CHANGES

(ASX ANNOUNCEMENT 28 SEPTEMBER 2023)

The Company announced the appointment of Chief Executive Officer, Alex Biggs to the position of Managing Director. Upon his appointment as Managing Director Mr. Biggs remuneration has increased from \$220,000 plus superannuation to \$250,000 plus superannuation.

In addition, and subject to shareholder approval, he will be issued the below securities in the Company:

- a) 250,000 Options with an exercise price of 25 cents per option expiring 27 September 2027 and vesting upon issue
- b) 250,000 Performance Rights which vest and become exercisable (convert to shares) on the Company's shares achieving a volume weighted average price per share of at least 50 cents over any 20 consecutive trading days on which the shares have actually traded on ASX
- c) 500,000 Performance Rights which vest and become exercisable (convert to shares) on the Company's shares achieving a volume weighted average price per share of at least 75 cents over any 20 consecutive trading days on which the shares have actually traded on ASX
- d) 500,000 Performance Rights which vest and become exercisable (convert to shares) on the Company's shares achieving a volume weighted average price per share of at least \$1 over any 20 consecutive trading days on which the shares have actually traded on ASX.

Non-Executive Chairman, Peter McNeil, and Non-Executive Director, Karen Lloyd, have resigned as Directors of the Company. The Board thanks Peter and Karen for their significant contribution to the Company during the IPO process and since listing on ASX and wish them well for the future.

Non-Executive Director, Craig Sharpe, will act as Chairman of the Board on an interim basis until a new Chairman is appointed.

PROJECT GENERATION

During the period the Company received a number of project opportunities, and conducted high-level internal project evaluation and will continue to identify and review projects that may be complimentary to its business.

FINANCE

EXPLORATION EXPENDITURE

The Company spent A\$793,000 on exploration activities during the period, focused principally on the Dundas Projects. The Company has cash and cash equivalents of A\$3.51 Million at 30 September 2023.

QUARTERLY USE OF FUNDS

Under ASX listing rule 5.3.4 the company presents its quarterly use of funds against its IPO Prospectus projections as shown in Table 2.

Table 2: Use of funds against IPO prospectus projection

Expenditure	Prospectus	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25	TOTAL
Exploration (A\$) ¹	4,900,000	129,000	574,000	217,000	793,000						1,713,000
Working Capital (A\$) ²	1,374,000	314,000	363,000	352,000	373,000						1,402,000
Costs of Offer (A\$) ³	726,000	486,000	34,000	21,000	0						541,000

¹includes items 1.2(a) and 2.1(d) from Appendix 5B, ²includes items 1.2(d) and 1.2(e) from Appendix 5B, ³includes item 3.10

OTHER DISCLOSURES

As disclosed under item 6.1 in the Appendix 5B and under ASX listing rule 5.3.5, the Company made payments for a total consideration of A\$74,000 relating to payments for Non-Executive Directors for Director's normal monthly fees and undertaking additional duties to support corporate and exploration activities.

CORPORATE ACTIVITIES

The capital structure at 30 September 2023 was:

- 48,432,000 shares
- 5,200,000 options (each exercisable at \$0.25 each expiring 22/11/2027)
- 5,000,000 options (each exercisable at \$0.25 each expiring 22/11/2026)
- 80,000 options (each exercisable at \$0.30 each expiring 06/04/2027)
- 110,000 options (each exercisable at \$0.40 each expiring 06/04/2027)
- 140,000 options (each exercisable at \$0.50 each expiring 06/04/2027)
- 4,800,000 performance shares
- 26,728,543 Listed Options (each exercisable at \$0.25 each expiring 13/03/2028)

ANNUAL GENERAL MEETING

The Annual General Meeting of Shareholders will be held at 11:00am (AEDT) on Tuesday, 21 November 2023 at The Prom Boardroom, Suite 5, Level 12, 530 Collins St, Melbourne VIC 3000.

This announcement has been approved for release by the Board of Directors.

-ends

ABOUT LIGHTNING MINERALS

Lightning Minerals is a mineral exploration company, listed on the Australian Stock Exchange (ASX:LTM) and focused on the exploration of critical minerals and lithium at its tenements across Western Australia. The Company's flagship Dundas project is located in the prolific Dundas region of Western Australia. The Company also has other projects in Western Australia, Mt Jewell, Mt Bartle and Mailman Hill prospective for base metals and critical minerals.

FORWARD LOOKING STATEMENTS

Information included in this release constitutes forward-looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", and "guidance", or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the Company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the Company and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company's business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company's control.

Although the Company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the Company does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

COMPETENT PERSONS STATEMENT

The information contained herein that relates to exploration results is based on information compiled or reviewed by Mr Jarrad Woodland, who is a Competent Person and a member of the Australasian Institute of Mining and Metallurgy. Mr Woodland is a full-time employee of the company. Mr Woodland has sufficient experience which is relevant to the style of mineralisation and types of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Persons as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Woodland consents to the inclusion of his name in the matters based on the information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements, and that all material assumptions and technical parameters have not materially changed. The Company also confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

APPENDIX 1 - SCHEDULE OF TENEMENTS AS AT 30 SEPTEMBER 2023

Project	Tenement	Status	Area (km ²)	Grant Date	Expiry Date	Annual Rent (A\$)	Annual Expenditure (A\$)	Royalty	Ownership
Dundas South	E15/1748	Granted	29.13	6/11/2020	05/11/2025	2,750	20,000	1% NSR	100%
	E63/1932	Granted	17.01	30/09/2019	19/09/2024	1,650	20,000	1% NSR	100%
	E63/1993	Granted	29.07	15/05/2020	14/05/2025	2,750	20,000	1% NSR	100%
	E63/2000	Granted	93.10	23/10/2020	22/10/2025	8,800	32,000	1% NSR	100%
	E63/2001	Granted	23.24	23/10/2020	22/10/2025	2,200	20,000	1% NSR	100%
	E63/2028	Granted	46.50	14/05/2021	13/05/2026	2,448	20,000	1% NSR	100%
Dundas North	E28/3027	Granted	160.84	17/05/2021	06/05/2026	8,415	55,000	1% NSR	100%
	E28/3028	Granted	55.51	17/05/2020	16/05/2026	2,907	20,000	1% NSR	100%
Mt Jewell	E27/566	Granted	8.89	8/11/2016	07/11/2026	2,133	30,000	1.5% NSR	100%
Mailman Hill	E37/1408	Granted	101.83	12/05/2021	11/05/2026	5,202	34,000	1% NSR	100%
Mt Bartle	E53/2151	Pending	193.62	(01/10/2020)	-	-	-	1% NSR	100%
	E53/2159	Pending	78.33	(08/09/2020)	-	-	-	1% NSR	100%
	E53/2147	Pending	124.98	(18/12/2020)	-	-	-	1% NSR	100%

**Applications for Mt Bartle tenements pending*

APPENDIX 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

LIGHTNING MINERALS LTD

ABN

40 656 005 122

Quarter ended ("current quarter")

30 September 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	(19)	(19)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(224)	(224)
	(e) administration and corporate costs	(149)	(149)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	12	12
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	380	380
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	(30)	(30)
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation (if capitalised)	(774)	(774)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(804)	(804)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(2)	(2)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(2)	(2)
4.	Net increase / (decrease) in cash and cash equivalents for the period	(1,186)	(1,186)
4.1	Cash and cash equivalents at beginning of period	4,694	4,694
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(380)	(380)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(804)	(804)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(2)	(2)

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	3,508	3,508

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,505	2,505
5.2	Call deposits	1,000	1,000
5.3	Bank overdrafts	-	-
5.4	Other (Trust Account)	3	3
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,508	3,508

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	74
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<p>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments</p> <p><i>Payments in 6.1 relate to Director fees and salaries</i></p>		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(380)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(804)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(1,184)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	3,508
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	3,508
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	3
8.8	If Item 8.7 is less than 2 quarters, please provide answers to the following questions:	
	1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
	2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
	3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30/10/23

Authorised by: The Board of Directors

(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.