

QUARTERLY OPERATIONS REPORT TO 30TH SEPTEMBER 2023

- **First Lithium Limited (ASX:FL1) – formerly Ookami Limited was reinstated to trading on the ASX following successful acquisition of the Mali Lithium Project and re-compliance of Chapters 1 and 2 of the ASX listing rules**
- **The Mali Lithium Project is located in the Goulamina region of Mali, which hosts the fifth largest spodumene deposit globally¹.**
- **FL1 plan to commence drilling at its priority 1 lithium spodumene pegmatite target, Blakala prospect, Mali, immediately post re-instatement**

Completion of Acquisition and reinstatement

FL1 (previously Ookami Limited ASX:OOK) was re-instated to trading on 28 September 2023 following the successful acquisition of First Lithium's Mali Lithium Project².

The Mali Lithium Project is made up of two permits covering a combined area of 175km² in the Sikasso region of Mali, West Africa and is considered highly prospective for large scale, hard rock, lithium bearing mineralised systems. The Project is surrounded by world class lithium projects including the Goulamina Project which is subject to a 50/50 joint venture between Leo Lithium Limited (ASX:LLL) and the Ganfeng Lithium Group. The Goulamina Project is amongst the world's largest spodumene projects, highlighting the prospectivity of the region which the Company will be targeting.

Upon completion of the Acquisition and re-instatement to Official Quotation, the Company changed its name to First Lithium Limited and trade under the code ASX:FL1 with a reinvigorated Board of Directors seeking to explore and develop the Mali Lithium Project as well as seek out further complementary mineral exploration and resource opportunities which have the potential to generate growth and value for Shareholders.

The re-instatement included a capital raise via a Prospectus and raised \$2,000,000 with the issue of Shares at an issue price of \$0.20 per Share under the Public Offer. These funds were in addition to the existing cash at bank of circa \$4,000,000 with the purpose of funds to implement the Company's business strategies as outlined in the prospectus³.

FIRST LITHIUM LIMITED **ACN 009 081 770**

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DIRECTORS

Lee Christensen
Venkatesh Padala
Jason Ferris
Andrew Law

CODE

ASX: FL1

The Proposed Directors have significant expertise and experience in the resources sector in both exploration and development, specifically in West Africa and will aim to ensure that funds will be utilised in a cost-effective manner to advance the Company's Projects.

Mali Lithium Project

The Faraba and Gouna permits comprising the Mali Lithium Project cover a combined area of 175km² in the Sikasso region of Mali, West Africa, about 200 kilometres South-East of Mali's Capital - Bamako.

The Faraba permit is located near the Toula village, 10 kilometres from Bougouni town and easily accessible from the National Highway RN7 which links to Bamako.

The Gouna permit is located in the southern Mali region of Sikasso. The Blakala and Gouna blocks collectively form the Gouna permit and are both accessible through all weather bitumen roads through Bougouni town (RN7).

Based upon limited exploration data, both the Faraba and Gouna permits are considered prospective for lithium mineralisation and situated in close proximity to well studied lithium deposits.

Neighbouring projects include Leo Lithium Limited's (ASX:LLL) Goulamina Lithium Project and AIM listed Kodal Minerals' PLC (LSE:KOD) Ngoulana Lithium Project.

The Company plans to systematically explore the Mali Lithium Project through geological mapping, surface sampling, trenching and drilling with the aim of defining an economic mineral resource.



Figure 1: Location of the Faraba and Gouna permits, Southern Mali.

Proposed exploration and development program

FL1 intends to undertake a systematic, staged approach with respect to its proposed exploration program on the Mali Lithium Project over the first two years, with prudent monitoring, assessing and refocusing of the exploration programs as necessary.

The proposed exploration program accounts for total expenditure of \$4,732,782 budgeted for the first two financial years as set out in the table below:

Exploration and Development Budget				
	Item	Year 1	Year 2	TOTAL
Mali Lithium	Project studies	\$165,794	\$101,570	\$267,364
	Exploration drilling and assaying	\$1,921,057	\$1,690,873	\$3,611,931
	Project support and potential resource definition	\$407,042	\$446,446	\$853,488
	Total:	\$2,493,894	\$2,238,889	\$4,732,782

Figure 2: FL1 exploration and development budget

It should be noted that the proposed exploration budgets outlined above will be subject to modification on an ongoing basis depending on the results obtained from exploration and development activities undertaken, new circumstances and other business opportunities.

The aim of the proposed two-year exploration programs for the Mali Lithium Project is to :

- Complete regional geophysical surveys over prospective geological environments;
- Identify lithological trends which will be followed by an initial aircore drilling campaign, and then deeper reverse circulation and/or diamond drilling;
- Identify additional drill targets by undertaking surface exploration activities through geophysical, gravity survey and soil sampling activities;
- Provide sufficient drilling data to allow estimation of maiden JORC Resources at priority target areas;
- Through exploration success, evaluate opportunities for lithium production; and
- Seek further exploration, acquisition and joint venture opportunities in Africa and elsewhere.

Tenure Status

The following is a summary of the Exploration Permits and their associated Mining Convention (held in FL1's 100% owned subsidiary):

Exploration Permit	Exploration License	Holder	EL Validity		Status
Faraba	2018/0742	Intermin Lithium SARL	16/3/2021	15/3/2024	Current
Gouna	2018/1584	Intermin Lithium SARL	15/5/2021	14/5/2024	Current

Figure 3: FL1 Tenure status

Payments to related parties

The total amount paid to related parties of the Company and their associates, as per item 6.1 and 6.2 of the attached Appendix 5B was \$121k and \$0 respectively. These payments are for Directors fees, salaries and superannuation during the quarter.

Other ASX requirements

ASX Listing Rule 5.3.1: Exploration and Evaluation expenditure during the Quarter was \$5k focussed on preparation and commencement of the resource infill and extension drilling program. ASX Listing Rule 5.3.2: There were no mining production and development activities during the Quarter.

Use of Funds

First Lithium provides the following disclosures required by ASX Listing Rule 5.3.4 regarding a comparison of its actual expenditure to date since re-listing on 28 September 2023 against the 'use of funds' statement in its re-compliance prospectus dated 30 June 2023. Please note that as First Lithium was re-quoted on ASX on the 2nd last business day of the quarter, no expenditure has been incurred in the current quarter.

Expenditure	Funds Allocated under Prospectus	Percentage of Funds (%)
	\$	\$
Exploration – Mali Lithium Project	\$4,732,782	72.87%
Expenses of the Offers	\$560,000	8.62%
Corporate and administration costs	\$650,000	10.01%
Working capital	\$552,396	8.50%
Total	\$6,495,178	100%

ABOUT FIRST LITHIUM

First Lithium (ASX code: FL1) is at the forefront of lithium exploration and sustainable development, focusing on pioneering projects like Blakala and Faraba in Mali. Our management team has significant in-country experience and specialist advisors with extensive lithium exploration and government relations expertise.

Our commitment goes beyond the pursuit of lithium riches; it's about powering tomorrow responsibly. We recognise the global demand for lithium and are dedicated to positively impacting local communities while ensuring environmentally sensitive practices.

Ends-

The Board of Directors of First Lithium Ltd authorised this announcement to be given to the ASX.

Further information contact:

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¹ Leo Lithium (ASX:LLL) – ASX Announcement 20 June 2023

² First Lithium (ASX:FL1) – ASX Announcement 27 September 2023

³ First Lithium (ASX:FL1) – ASX Announcement 26 September 2023

Forward-Looking Statements

This announcement contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the Company's management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this announcement, except where required by law.

These forward looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements.

Appendix 5B

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

Name of entity

FIRST LITHIUM LIMITED

ABN

67 009 081 770

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)	(5)	(5)
	(b) development	-	-
	(c) production	-	-
	(d) board remuneration	(121)	(121)
	(e) administration and corporate costs	(185)	(185)
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 (Transaction costs)	(160)	(160)
1.9	Net cash from / (used in) operating activities	(459)	(459)
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation (if capitalised)	-	-
	(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	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,000	2,000
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	(9)	(9)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings (lease liabilities)	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (Proceeds from unissued unsecured convertible note)	-	-
3.10	Net cash from / (used in) financing activities	1,991	1,991

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,977	3,977
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(459)	(459)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,991	1,991

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	5,509	5,509

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	3,494	3,962
5.2	Call deposits	15	15
5.3	Bank overdrafts	-	-
5.4	Other (held by share registry)	2,000	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	5,509	3,977

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	121
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
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		

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

7. Financing facilities		Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<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>			
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)	(459)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	-
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(459)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	5,509
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	5,509
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	12.0

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

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: 31 October 2023

Authorised by: By the Board of First Lithium Limited
(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.