

Malawian Mining Ministry shows Strong Support for Kayelekera Restart

Lotus Resources Limited (ASX: LOT, OTCQB: LTSRF) (Lotus or the Company) and its subsidiary, Lotus (Africa) Limited (**LAL**), have hosted the Malawian Mining Minister, the Honourable Monica Chang'anamuno (the **Minister**), and a large delegation of both local and national Government officials, as well as His Royal Highness Paramount Chief Dr Kyungu, at the Company's Kayelekera Uranium Project in Malawi.

HIGHLIGHTS

- **Kayelekera Site Visit by Mining Ministry delegation and His Excellency the Paramount Chief**
 - Lotus welcomed the Minister, her team, local government officials, as well as His Royal Highness Paramount Chief Dr Kyungu, to Kayelekera.
 - The Minister, visiting Kayelekera for the first time, indicated that the infrastructure already available at site for the mine's restart exceeded her expectations.
 - The Minister complimented Lotus on its high level of commitment to environmental, social and water programs.
- **Government support for finalising Mine Development Agreement (MDA)**
 - The Minister provided reassuring commentary on the Government's view as to the importance of finalising the MDA negotiations.
 - Her team indicated that there is strong support, backed by the President of Malawi, His Excellency Dr Lazarus Chakwera, for a timely finalisation of the MDA.
 - Lotus has engaged further with the Minister following the site visit to finalise the plan that will allow these negotiations to conclude expeditiously.

The Honourable Minister commented:

"I am very happy to visit Kayelekera and see for myself the work being done at the project. The Government of Malawi is committed to seeing Kayelekera back into production as soon as possible."

His Royal Highness Dr Kyungu commented:

"I hope the MDA negotiating team will be able speed up the process so that my subjects, and Malawi as a whole, will benefit from the mine once operations resume through employment and businesses."

Lotus Managing Director Keith Bowes commented:

"We were very pleased that the Honourable Minister was able to travel to site and spend the day with us. We updated her on the activities that we are currently undertaking on site, including our social and environmental programs. We were also very encouraged by her comments around the MDA negotiations and the support that her and the President of Malawi, His Excellency Dr Lazarus Chakwera, are giving for a speedy completion to the MDA negotiations, whilst also ensuring that a balanced MDA is achieved."



SITE VISIT

Malawi Mining Minister, the Honourable Monica Chang'anamuno, and members of her team, along with members of local government, and His Royal Highness Paramount Chief Dr Kyungu, visited Kayelekera on 26 February 2024. This was her first visit to Kayelekera. The Minister and her team received an update on ongoing activities on site before a tour of the plant and project.

The Minister noted during her discussions with the Lotus team that:

- Her visit to Kayelekera was an eye opener to her to see existing infrastructure and what this means with regard to timing for the restart of operations.
- She pointed out that the President of Malawi had indicated government support for Kayelekera so that production can resume as soon as possible.
- She noted Kayelekera's potential to create jobs and earn much-needed foreign exchange, which is aligned with the Malawi Government strategy.
- She indicated her Ministry is working hard to facilitate for the MDA to be finalised as soon as possible, but patience was needed due to the numerous stakeholders involved. She pointed out that it is her wish that the MDA should reflect the interests of Malawians, the Malawian Government, the Company and its investors.
- She was very pleased with Environmental, Social and Water Resources Management programs at Kayelekera. She expressed her wish that other stakeholders should learn from Kayelekera's work programs and that she will encourage educational tours to Kayelekera for other players in the Malawian mining sector.



Figure 1: Minister of Mines and delegation visiting various locations at Kayelekera



Lotus also welcomed back to site the Paramount Chief, His Royal Highness Dr Kyungu. Paramount Chief Kyungu has been a strong advocate for Kayelekera and was able to provide the Minister and her team with the views of the local community on the restart of operations. He expressed confidence in a broad range of Malawians being able to benefit from a Kayelekera restart. He undertook to provide support where possible.

This announcement has been authorised for release by the Company's board of directors.

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ABOUT LOTUS

Lotus is a leading Africa-focused advanced uranium player with significant scale and resources. Lotus is focused on creating value for its shareholders, its customers and the communities in which it operates, working with local communities to provide meaningful, lasting impact. Lotus is **focused on our future**. Lotus owns an 85% interest in the Kayelekera Uranium Project in Malawi, and 100% of the Letlhakane Uranium Project in Botswana.

The Kayelekera Project hosts a current resource of 51.1Mlbs U₃O₈, and historically produced ~11Mlb of uranium between 2009 and 2014. The Company completed a positive Restart Study¹ which has determined an Ore Reserve of 23Mlbs U₃O₈ and demonstrated that Kayelekera can support a viable operation. The Letlhakane Project hosts a current resource of 190.4Mlbs U₃O₈.

Lotus Mineral Resource Inventory – June 2022^{2,3,4,5}

Project	Category	Mt	Grade (U ₃ O ₈ ppm)	U ₃ O ₈ (M kg)	U ₃ O ₈ (M lbs)
Kayelekera	Measured	0.9	830	0.7	1.6
Kayelekera	Measured – RoM Stockpile ⁶	1.6	760	1.2	2.6
Kayelekera	Indicated	29.3	510	15.1	33.2
Kayelekera	Inferred	8.3	410	3.4	7.4
Kayelekera	Total	40.1	510	20.4	44.8
Kayelekera	Inferred – LG Stockpiles ⁷	2.24	290	0.7	1.5
Kayelekera	Total – Kayelekera	42.5	500	21.1	46.3
Letlhakane	Indicated	59.2	323	19.1	42.2
Letlhakane	Inferred	209.7	321	67.2	148.1
Letlhakane	Total – Letlhakane	268.9	321	86.3	190.4
Livingstonia	Inferred	6.9	320	2.2	4.8
Livingstonia	Total – Livingstonia	6.9	320	2.2	4.8
Total	All Uranium Resources	318.3	344	109.6	241.5

¹ See ASX announcement dated 11 August 2022 for information on the Definitive Feasibility Study.

² See ASX announcement dated 15 February 2022 for information on the Kayelekera mineral resource estimate.

³ Letlhakane Mineral Resources reported at 200ppm cut-off grade; See ASX announcement dated 13 July 2023 for information on the Letlhakane mineral resource estimate.

⁴ See ASX announcement dated 6 June 2022 for information on the Livingstonia mineral resource estimate.

⁵ Lotus confirms that it is not aware of any new information or data that materially affects the information included in the respective resource announcements of 15 February 2022, 6 June 2022, and 13 July 2023 and that all material assumptions and technical parameters underpinning the Mineral Resource Estimates in those announcements continue to apply and have not materially changed.

⁶ RoM stockpile has been mined and is located near mill facility

⁷ Low-grade stockpiles have been mined and placed on the medium-grade stockpile and are considered potentially feasible for blending or beneficiation, with initial studies to assess this optionality already completed.



Lotus Ore Reserve Inventory – July 2022⁸

Project	Category	Mt	Grade (U ₃ O ₈ ppm)	U ₃ O ₈ (M kg)	U ₃ O ₈ (M lbs)
Kayelekera	Open Pit - Proved	0.6	902	0.5	1.2
Kayelekera	Open Pit - Probable	13.7	637	8.7	19.2
Kayelekera	RoM Stockpile – Proved	1.6	760	1.2	2.6
Kayelekera	Total	15.9	660	10.4	23.0

In addition to its uranium assets, Lotus through its acquisition of A-Cap Energy has also acquired a 55% ownership in the Wilconi Nickel-Cobalt Project located near Wiluna in Western Australia. The Wilconi Project has a Mineral Resource Estimate of 73 million tonnes at 0.79% Nickel for 570,000 tonnes contained nickel metal (also 0.04% cobalt for 29,500 tonnes contained cobalt metal).

Wilconi Nickel Cobalt Mineral Resource Estimate – May 2023 (cut-off grade 0.5% Ni and 0.04% Co within RPEEE pit)⁹

Category	Tonnes (M)	Ni %	Co %	Nickel metal (tonnes)	Cobalt metal (tonnes)
Measured	19	0.88	0.06	160,000	11,200
Indicated	21	0.82	0.03	170,000	8,300
Inferred	33	0.73	0.04	240,000	10,000
Total¹⁰	73	0.79	0.04	570,000	29,500

⁸ Ore Reserves are reported based on a dry basis. Proved Ore Reserves are inclusive of RoM stockpiles and are based on a 200ppm cut-off grade for arkose and a 390ppm cut-off grade for mudstone. Ore Reserves are based on a 100% ownership basis of which Lotus has an 85% interest. Lotus confirms that it is not aware of any new information or data that materially affects the information included in the announcement of 11 August 2022 and that all material assumptions and technical parameters underpinning the Ore Reserve Estimate in that announcement continue to apply and have not materially changed.

⁹ Wilconi Mineral Resources are extracted from the report entitled "Wilconi Nickel-Cobalt Project Mineral Resource upgraded" dated 5 June 2023, which is available to view on www.asx.com.au under A-Cap Energy.

¹⁰ The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the Mineral Resources estimates in the original market announcement continue to apply and have not been materially changed.

