

## ASX ANNOUNCEMENT

23 December 2024

### Environmental Approvals Update at Solaroz

Lithium Energy Limited (ASX:LEL) (**Lithium Energy** or **Company**) confirms that Environmental Impact Assessment (**EIA**) approvals have been received for the next phase of exploration activities in the Mario Angel and Payo concessions at the Solaroz Lithium Brine Project in Argentina (**Solaroz**).

The Company is still awaiting the EIA approvals for the 'Central Block' (comprising Chico I, V and VI, Payo 2 South and Silvia Irene) and 'Northern Block' (comprising Payo 1 and Payo 2 North ) concessions at Solaroz (refer Figure 1). The Central and Northern blocks (10,666 hectares) are where the majority of the existing lithium resources<sup>1</sup> at Solaroz is located and where the majority of the next phase of exploration activities is proposed to be conducted.

Under the terms of an amended sale agreement<sup>2</sup> between Lithium Energy and CNGR Netherlands New Energy Technology B.V. (**CNNET**)<sup>3</sup> for the sale of the whole of Lithium Energy's interest in Solaroz, for consideration totalling US\$63 million (~A\$97 million)<sup>4</sup> cash (the **Solaroz Sale**)<sup>5</sup>, if shareholder approval for the amended sale agreement is received at the General Meeting on 15 January 2025<sup>6</sup>, it is anticipated that CNNET will conduct the next phases of exploration and evaluation at Solaroz utilising an up to US\$15 million funding mechanism agreed to be provided by CNNET to Solaroz. At present such works can occur on the Mario Angel and Payo concessions where EIA approvals have been received with works on the Central and Northern blocks able to commence once their EIA approvals are received.

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1 Refer LEL ASX Announcement dated 26 October 2023: Significant Solaroz Milestone Achieved with Upgrade to 2.4Mt LCE JORC Indicated Resource

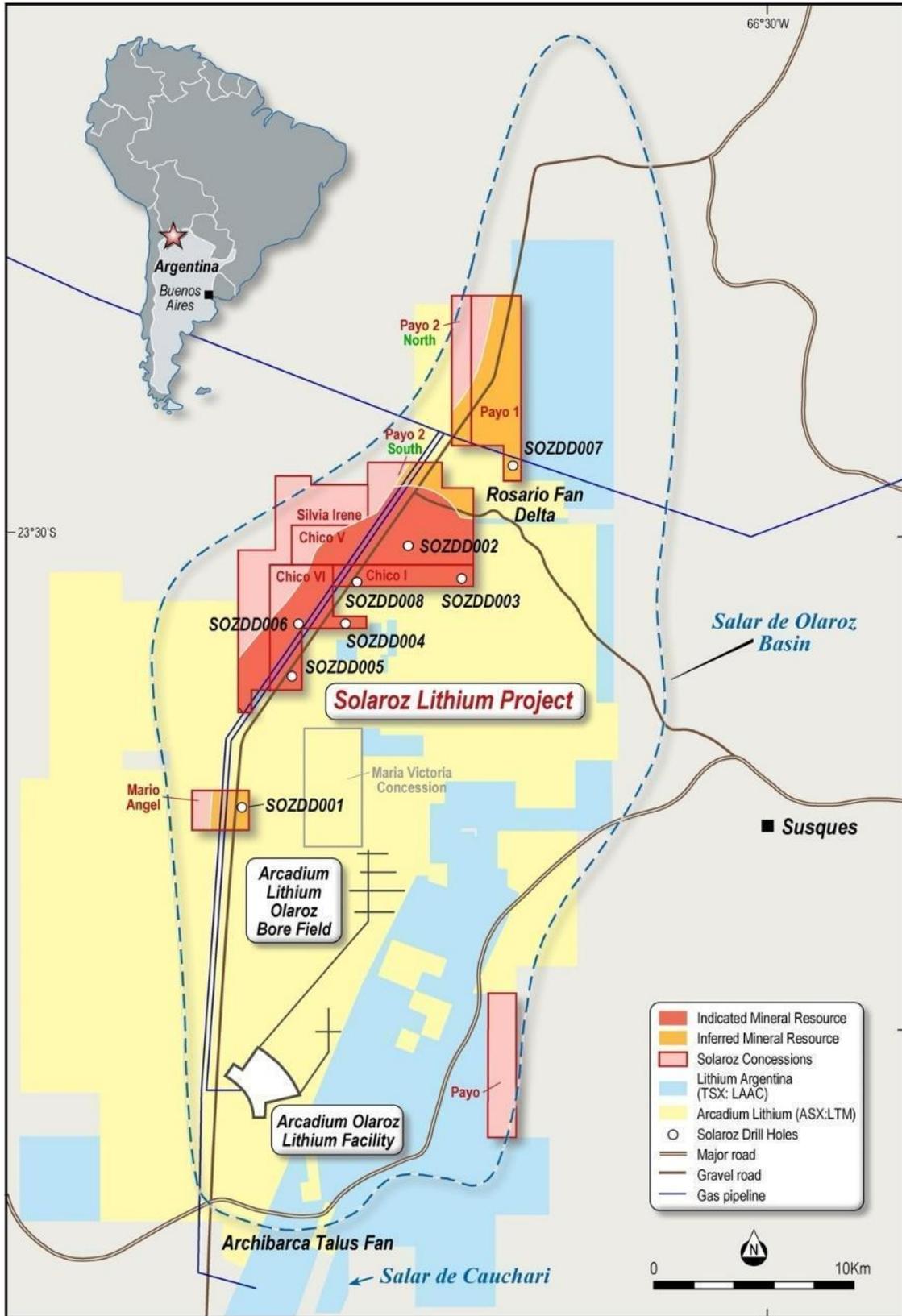
2 Refer LEL ASX Announcements dated 6 December 2024: Amended Terms of A\$97 million Sale of Solaroz Lithium Project

3 CNNET is a subsidiary of Chinese listed CNGR Advanced Material Co Ltd (Shenzhen Stock Exchange Code: 300919) (**CNGR**), one of the world's largest producers of precursors cathode active materials used by many leading companies in the battery materials supply chain

4 Based on an assumed exchange rate of US\$1.00 : A\$0.65

5 Refer LEL ASX Announcements dated 6 December 2024: Amended Terms of A\$97 Million Sale of Solaroz Lithium Project and 30 April 2024: Sale of Solaroz Lithium Project for A\$97 million

6 Refer to LEL's Notice of General Meeting and Explanatory Statement dated and released on ASX on 16 December 2024



**Solaroz Lithium Project, Argentina  
Solaroz Concessions Location Plan**

www.lithiumenergy.com.au

Figure 1: Mineral Resource Areas within Solaroz Concessions (and Drillhole Locations) in Olaroz Salar (Adjacent to Arcadium Lithium and Lithium Argentina Concessions)

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### AUTHORISED FOR RELEASE - FOR FURTHER INFORMATION:

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### ABOUT LITHIUM ENERGY LIMITED (ASX:LEL)

Lithium Energy Limited is an ASX listed battery minerals company which is developing its flagship Solaroz Lithium Brine Project in Argentina and the Burke and Corella Graphite Projects in Queensland. The Solaroz Lithium Project (LEL:90%) comprises 12,000 hectares of highly prospective lithium mineral concessions (where a JORC Indicated and Inferred Mineral Resource of lithium has been delineated) located strategically within the Salar de Olaroz Basin in South America's "Lithium Triangle" in north-west Argentina. Lithium Energy shares the lithium rights in the Olaroz Salar basin with lithium carbonate producers Arcadium Lithium plc (ASX:LTM) and Lithium Argentina Corporation (TSX:LAAC). Prior to the announced sale of the Solaroz Project (settlement pending), Lithium Energy had completed a Scoping Study on Solaroz and had been investigating the development of a 20/40ktpa lithium carbonate equivalent (LCE) production facility using conventional evaporation ponds; the Company has also been evaluating direct-lithium extraction (DLE) technologies. The Burke and Corella Graphite Projects (LEL:100%) in Queensland, Australia, contains high grade JORC Indicated and Inferred Mineral Resources of graphite.

On 3 April 2024, Lithium Energy and NOVONIX Limited (ASX:NVX) announced the merger of their adjoining Burke and Mt Dromedary Queensland Natural Graphite Deposits into Lithium Energy subsidiary, Axon Graphite Limited (Proposed ASX Code: AXG), which will undertake a \$15M to \$25M IPO and seek admission to ASX as a dedicated vertically-integrated mine to Battery Anode Material (BAM) product manufacturing company.

On 30 April 2024, Lithium Energy announced the sale of its interest in the Solaroz Project to a subsidiary of CNGR Advanced Materials Co Ltd for US\$63 million (~A\$97 million) cash. On 6 December 2024, Lithium Energy announced amended Solaroz sale terms (with completion in two tranches (April 2025 and January 2026) and with no change to the total cash consideration), which is subject to shareholder approval at a general meeting to be held on 15 January 2025.

Pending completion of the sale of Solaroz, Lithium Energy will focus on advancing the Axon Graphite IPO and continuing to advance operations at Solaroz.