



7 January 2025

Mr Dale Allen  
Australian Securities Exchange  
40 Central Park  
152 – 158, St Georges Terrace  
PERTH WA 6000

**Via Email:**  
ListingsCompliancePerth@asx.com.au

Dear Dale

**FIRST LITHIUM LIMITED - ASX QUERY**

First Lithium Limited (**FL1** or the **Company**) refers to the query letter issued by the Australian Securities Exchange on 3 January 2025 and respond as follows:

1. **Having regard to FL1's response to question 13 in the ASX query letter dated 1 November 2024, released to MAP on 11 November 2024 ('Original Query Letter'), that: '...the Company is anticipating renewals before the end of November 2024, after the Department has completed the renewal of applications for gold focussed permits. In any event, the Department has notified that all pending applications will be processed before 31 December 2024' have the Faraba and Gouna permits been renewed?**

No. The Mali Mining Department (DNGM) is yet to submit the finalised renewal processes to the Mining Ministry. The delay is due to internal processes of the DNGM and is not attributable to FL1. FL1 has submitted all the necessary documentation and once the Mining Ministry approves the process, the mining department will call FL1 to agree and sign on the new Mining Code and then the renewals will be issued.

2. **If the answer to question 1 is 'yes', please provide details, including the date the permits were renewed.**

N/A.

3. **If the answer to question 1 is 'no', please provide the date by which FL1 now expects the permits to be renewed by, including the basis for FL1's expectation the permits will be renewed by the new date nominated by FL1.**

The Company met with the Director of the DNGM on 6 January 2025, who has confirmed verbally that the renewals will be "imminent". The Company is unable to give an exact date as to when the permits will be renewed beyond that statement from the Department Director.

4. **Does FL1 consider there are presently any indicators of impairment in respect of the capitalised exploration and evaluation expenditure of \$3,474,706 recorded in its 30 June 2024 accounts? In answering this question, please address the emphasis of matter paragraph included in FL1's 30 June 2024 Annual Report by its auditor in respect of the carrying value of FL1's capitalised exploration and evaluation expenditure and that the Faraba permit lapsed in April 2024 and the Gouna permit lapsed in May 2024, noting neither permit has been renewed.**

As outlined in FL1's response to the Original Query Letter, the Department through correspondence with the Company has noted that despite the delays in processing the renewal documentation, the permits are still active, and the Company is entitled to complete exploration works on the permits. Therefore, the Company does not consider that any indicators of impairment of capitalised exploration and evaluation expenditure are present.

5. **Does FL1 consider the permits, despite having lapsed, to be 'active'? If so, please provide the basis for that conclusion.**

Yes, as previously disclosed, applications for the renewal of the Faraba and Blakala permits have been lodged within the required timeframes and were acknowledged as received by the DNGM. The Company met with the Department Director on 6 January 2025 who confirmed verbally that the renewals will be imminent. The Department Director noted that if the permits are not renewed imminently, then they will submit a special requisition to the Mining Ministry to give the Company authorisation to continue working on the permits as the delay in renewal has been on the Department and not the Company.

6. **What date was the last communication received by FL1 from the relevant Mali authorities in relation to the Faraba and Gouna permit renewals?**

The most recent formal correspondence from the Departments was letters dated 30 September 2024 acknowledging the renewal documents submitted by the Company and a letter on 14 October 2024 approving the budgets submitted for those renewals. All other correspondence with FL1 has been verbal.

7. **Having regard to FL1's response to question 4 in the Original Query Letter, that '*...the Company's team is on the ground and are conducting exploration works on both permits*', is FL1 presently able to access both the Faraba and Gouna permits to conduct exploration work?**

Yes, the Company's team is on the ground and are conducting field exploration works on both permits. Most recently the teams has been conducting ground mapping studies in the Blakala area.

8. **What type of 'exploration works' were being undertaken and when does FL1 anticipate disclosing the results of the work undertaken on both permits referred to in FL1's response to question 4 of the Original Query Letter?**

The Company's consultants and geologists are working on finalising the Mineral Resource Estimate to the relevant JORC standards. The Company anticipates to finalise and release the results during the first quarter of 2025.

9. **If the answer to question 7 is 'yes', please provide details, including the type of exploration work presently being undertaken by FL1 on the permits.**

The Company's geologists are conducting ground mapping studies and plan to conduct geophysical studies in January 2025.

- 10. Having regard to the fact that FL1 does not presently have any exploration permits save for the lapsed Faraba and Gouna permits, does FL1 consider that its level of operations is sufficient to warrant the continued quotation of its securities on ASX under Listing Rule 12.1? In answering this question, please explain the basis for FL1's conclusion and comment on the nature of FL1's current business activities?**

As noted in prior disclosure, the delay in processing the renewal applications is considered an administrative process of the DNGM and has not inhibited the Company's activities, as the permits are considered active by the DNGM.

As is the case in many African jurisdictions, permits which are due for renewal are considered valid after the 'renewal date' even if they have not been formally extended at that time.

The Company's current business activities therefore remain unchanged and continue to be identical to what they would be if the permits had been formally renewed. In light of this, the Company's level of operations warrant the continued quotation of its securities on ASX under Listing Rule 12.1.

- 11. Does FL1 consider that its structure and operations is appropriate for a listed entity? In answering this question, please explain the basis for FL1's conclusion including commenting on the fact that FL1 currently holds no valid exploration permits.**

Yes, the Company considers that its structure and operations is appropriate for a listed entity as:

- (a) The delay in processing the renewal applications is considered an administrative process by the DNGM, the Company's permits are considered active by the DNGM during this process and the Department has approved the Company's continued work on the permits;
- (b) the Company has a clearly defined business plan in place that covers its strategic goals on an immediate, intermediate, and long-term basis; and
- (c) subsequent to the renewal of the Faraba and Gouna permits, the Company will continue to be a lithium exploration and sustainable development company.

- 12. Please confirm that FL1 is complying with the Listing Rules and in particular, Listing Rule 3.1.**

The Company confirms that it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

- 13. Please confirm that FL1's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of FL1 with delegated authority from the board to respond to ASX on disclosure matters.**

FL1's responses to the questions above have been authorised and approved by the FL1 Board.

*Authorised for market release by the Board of FL1.*

Yours sincerely

Mr Alan Armstrong  
**Company Secretary**



3 January 2025

Reference: 104957

Mr Alan Armstrong  
Company Secretary  
First Lithium Limited

By email: [alan@miningcorporate.com.au](mailto:alan@miningcorporate.com.au)

Dear Mr Armstrong

**First Lithium Limited ('FL1'): Further ASX Query Letter**

ASX refers to the following:

A. FL1's prospectus, released on the ASX Market Announcements Platform ('MAP') on 3 July 2023 ('Prospectus'), which disclosed the following:

- (i) At page 13, that the "*Blakala and Gouna blocks collectively form the Gouna permit*";
- (ii) At page 132, the following table:

Permit Name	Permit Number		Area (km <sup>2</sup> )	Commodity Group
	Original Issue 2018	Renewal 2021		
Faraba	PR 17/910 original decree Arrêté N°. 2018-0742/MMP-SG	PR 18/910 1 BIS, original decree Arrêté N°. 2022-0276/MMEE-SG	~75	Group 3 (Li, Co, Cr, Nb, Ni, PGE, REE, Sn, Ta, Ti, V, W, and Zr.)
Gouna	PR 18/930 original decree Arrêté N°. 2018-1584/MMP-SG	PR 18/930 1 BIS original decree Arrêté N°. 2022-0275/MMEE-SG	~98	Group 3 (Li, Co, Cr, Nb, Ni, PGE, REE, Sn, Ta, Ti, V, W, and Zr.)

Notes: Permit validity – Faraba: 16<sup>th</sup> March 2021 - 16<sup>th</sup> April 2024; Gouna: 15<sup>th</sup> May 2021 – 15<sup>th</sup> May 2024.

B. FL1's pre-quotation disclosure, released on MAP on 26 September 2023 ('Pre-Quotation Disclosure'), which disclosed:

***New Mining Code in Mali***

*The new Mining Code Act was promulgated on 29 August 2023 by his Excellency Colonel Assimi Goita, President of the Transition and President of the Republic of Mali (New Code). The Company, in consultation with its legal advisers, has reviewed the New Code and notes the following with respect to the Mali Lithium Project:*

- (a) *The impact of the New Code appears to have minimal direct impact on the standing of the Faraba and Gouna permits. In this regard, Article 218 of the New Code clarifies that existing exploration permits "remain subject to the provisions of the code which presided over their issue", meaning that provisions of the mining code in force at the time of grant and renewal of the Faraba and Gouna permits apply during the current term of these permits. Nevertheless, Article 218 provides that "the provisions of the New Code apply at the time of their renewal or when applying for the mining license". So, while the New Code may not apply to the Faraba and Gouna permits during their current term, it will apply when/if they are renewed a second time,*

or when/if they are converted into a mining licence. Article 40 of the New Code provides that, upon a second renewal of an exploration permit, the surface area will be reduced by 50%.

- (b) The New Code provides that upon renewal of exploration permits or their conversion into a mining licence, “a new mining convention agreement must be negotiated on the basis of the mining code in force”. A template of this new mining convention is yet to be published by regulation and therefore remains uncertain at this time.
- (c) The state still has no ownership rights for the duration of exploration permits. Nevertheless, if a mining licence is granted, and in addition to the existing right of the state to a free-carry 10% interest in the mining company, the New Code provides that
- (i) the state has an option to purchase a further 20% interest (previously 10%); and
  - (ii) local investors must be granted 5% of the shares (these shareholdings cannot be diluted and are considered as priority shares).

*To summarise the information above, the Company confirms that the provisions of the New Code will not impact the Company’s proposed exploration activities at the Mali Lithium Project as disclosed in the Prospectus. This is primarily because the New Code itself provides that existing mining titles will continue to be governed by the law in force at the time of their grant, and so the New Code does not apply to the Faraba and Gouna permits. In addition, changes introduced under the New Code largely relate to mining licences as opposed to exploration permits [emphasis added]*

- C. FL1’s Quarterly Activities and Appendix 5B Cash Flow Report for the quarter ending 30 June 2024 (‘June Quarterly’), released on MAP at 12.59pm AEST on 30 July 2024, which disclosed the following:

- (i) On page 4:

**PERMIT RENEWAL APPLICATIONS LODGED**

*Permits for both Faraba and Blakala were lodged within the required timeframes and were acknowledged as received by the Mali Mines Department. Renewals are expected to be granted once the Mali Mines Department recommence formal renewal operations, something that has been on hold for sometime to allow for the adequate adoption of the new Mining Law. Our local team in Mali is managing the process with the Mali government.*

- (ii) The following table at Figure 1:

**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	PR 1375/18	Intermin Lithium SARL	16/4/2018	16/4/2024	Active
Gouna	PR 1382/18	Intermin Lithium SARL	15/5/2018	15/5/2024	Active

*Figure 1: FL1 Tenure status*

- D. FL1’s Annual Report for period ending 30 June 2024 released on MAP at 5.26pm AEST on 30 September 2024 (‘Annual Report’), which discloses:

- (i) At page 4, that “the principal activities of the [FL1] Group were to primarily complete the acquisition, and progress exploration, of the two lithium mineral bearing permits, Faraba and Gouna in Mali (the “Mali Lithium Project”)
- (ii) At page 8, the following table:

#### 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	PR 1375/18	Intermin Lithium SARL	16/4/2018	16/4/2024	Renewal Pending
Gouna	PR 1382/18	Intermin Lithium SARL	15/5/2018	15/5/2024	Renewal Pending

**Figure 2: FL1 Tenure status**

- (iii) At page 38, Note 13 which states:

*“Licence renewals for both Faraba and Blakala were lodged within the prescribed timeframes and were acknowledged as received by the Mali Mines Department. Renewals are expected to be granted once the Mali Mines Department recommence formal renewal operations. Until the renewal of the licences are granted, there exists a material uncertainty related to the carrying value of exploration expenditure for the Mali Lithium Project at 30 June 2024.”*

- (iv) At page 55, the Independent Auditor’s Review Report which contains an emphasis of matter paragraph on a material uncertainty related to the carrying value of exploration assets:

*“We draw attention to Note 13 to the annual report, which indicates a material uncertainty in relation to the status of the exploration permits forming the Mali Lithium Project. The Group held capitalised exploration and evaluation expenditure of \$3,474,706 at 30 June 2024. Our opinion is not modified in respect of this matter.”*

- E. FL1’s announcement entitled ‘Impressive Blakala initial metallurgical test results’ released on MAP at 09:53 am AEDT on 21 October 2024 (‘Met Testing Announcement’), which disclosed the following:

- (i) Metallurgical test results from selected pieces of core from 12 drill holes.

- F. FL1’s announcement entitled ‘Options Prospectus’ released on MAP at 8:03 pm AEDT on 28 October 2024 which contains the following disclosure in relation to Tenure risk:

*“Mining and exploration licences are subject to periodic renewal. Two of the Company’s licences have expired and applications for their renewal have been lodged.”*

- G. FL1’s Quarterly Activities and Appendix 5B Cash Flow Report for the quarter ending 30 September 2024 (‘September Quarterly’), released on MAP at 9:36 am AEDT on 31 October 2024, which disclosed the following:

- (i) On page 10:

#### PERMIT RENEWAL APPLICATIONS LODGED

*Permits for both Faraba and Blakala were lodged within the required timeframes and were acknowledged as received by the Mali Mines Department. Renewals are expected to be granted once the Mali Mines Department recommence formal renewal operations, something that has been on hold for sometime to allow for the adequate adoption of the new Mining Law. Our local*

team in Mali is managing the process with the Mali government and believe the renewal process is advancing.

- (ii) The following table at Figure 7:

#### 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	PR 1375/18	Intermin Lithium SARL	16/4/2018	16/4/2024	Pending Renewal
Gouna	PR 1382/18	Intermin Lithium SARL	15/5/2018	15/5/2024	Pending Renewal

Figure 7: FL1 Tenure status

- H. FL1's response to the ASX query letter dated 1 November 2024, released to MAP on 11 November 2024 ('Original Query Letter'), which included the following responses to queries raised by ASX:

**4. Is FL1 presently able to physically access either the Faraba or Gouna permit to conduct exploration work?**

Yes, the Company's team is on the ground and are conducting field exploration works on both permits.

**13. Having regard to FL1's disclosure in its Annual Report, June Quarterly Report and September Quarterly Report regarding the ongoing permit renewal process, does FL1 have a date by which it estimates either permit may be renewed by? If, so, please advise the estimated renewal date.**

The Department has not given a clear indication on the renewal date, however through conversation with the Department, the Company is anticipating renewals before the end of November 2024, after the Department has completed the renewal of applications for gold focussed permits. In any event, the Department has notified that all pending applications will be processed before 31 December 2024.

- I. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.

- J. The definition of "aware" in Chapter 19 of the Listing Rules, which states that:

*"an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity" and section 4.4 in Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B "When does an entity become aware of information."*

- K. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure, provided that each of the following are satisfied.

**"3.1A Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:**

**3.1A.1 One or more of the following applies:**

- *It would be a breach of a law to disclose the information;*
- *The information concerns an incomplete proposal or negotiation;*
- *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- *The information is generated for the internal management purposes of the entity; or*
- *The information is a trade secret; and*

3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

3.1A.3 *A reasonable person would not expect the information to be disclosed."*

L. Listing Rule 12.1 which states:

*The level of an entity's operations must, in ASX's opinion, be sufficient to warrant the continued quotation of the entity's securities and its continued listing.*

M. Listing Rule 12.5 which states:

*An entity's structure and operations must be appropriate for a listed entity.*

### **Request for information**

Having regard to the above, ASX asks FL1 to respond separately to each of the following questions and requests for information:

1. Having regard to FL1's response to question 13 in the Original Query Letter, that: *'...the Company is anticipating renewals before the end of November 2024, after the Department has completed the renewal of applications for gold focussed permits. In any event, the Department has notified that all pending applications will be processed before 31 December 2024'* have the Faraba and Gouna permits been renewed?
2. If the answer to question 1 is 'yes', please provide details, including the date the permits were renewed.
3. If the answer to question 1 is 'no', please provide the date by which FL1 now expects the permits to be renewed by, including the basis for FL1's expectation the permits will be renewed by the new date nominated FL1.
4. Does FL1 consider there are presently any indicators of impairment in respect of the capitalised exploration and evaluation expenditure of \$3,474,706 recorded in its 30 June 2024 accounts? In answering this question, please address the emphasis of matter paragraph included in FL1's 30 June 2024 Annual Report by its auditor in respect of the carrying value of FL1's capitalised exploration and evaluation expenditure and that the Faraba permit lapsed in April 2024 and the Gouna permit lapsed in May 2024, noting neither permit has been renewed.
5. Does FL1 consider the permits, despite having lapsed, to be 'active'? If so, please provide the basis for that conclusion.
6. What date was the last communication received by FL1 from the relevant Mali authorities in relation to the Faraba and Gouna permit renewals?
7. Having regard to FL1's response to question 4 in the Original Query Letter, that *'...the Company's team is on the ground and are conducting exploration works on both permits'*, is FL1 presently able to access both the Faraba and Gouna permits to conduct exploration work?

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8. What type of 'exploration works' were being undertaken and when does FL1 anticipate disclosing the results of the work undertaken on both permits referred to in FL1's response to question 4 of the Original Query Letter?
  9. If the answer to question 7 is 'yes', please provide details, including the type of exploration work presently being undertaken by FL1 on the permits.
  10. Having regard to the fact that FL1 does not presently have any exploration permits save for the lapsed Faraba and Gouna permits, does FL1 consider that its level of operations is sufficient to warrant the continued quotation of its securities on ASX under Listing Rule 12.1? In answering this question, please explain the basis for FL1's conclusion and comment on the nature of FL1's current business activities?
  11. Does FL1 consider that its structure and operations is appropriate for a listed entity? In answering this question, please explain the basis for FL1's conclusion including commenting on the fact that FL1 currently holds no valid exploration permits.
  12. Please confirm that FL1 is complying with the Listing Rules and in particular, Listing Rule 3.1.
  13. Please confirm that FL1's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of FL1 with delegated authority from the board to respond to ASX on disclosure matters.

#### **When and where to send your response**

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **10.00 AM AWST Wednesday, 8 January 2025**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, FL1's obligation is to disclose the information 'immediately'.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

#### **Suspension**

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in FL1's securities under Listing Rule 17.3.

#### **Listing Rules 3.1 and 3.1A**

In responding to this letter, you should have regard to FL1's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that FL1's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

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**Release of correspondence between ASX and entity**

We reserve the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under listing rule 18.7A. The usual course is for the correspondence to be released to the market.

Yours sincerely

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ASX Compliance