ASX ANNOUNCEMENT

14 July 2025

Completion of 51% Tranche 1 Acquisition of Capricorn Gold-Copper Belt Project

Lithium Energy Limited (ASX:LEL) (**Lithium Energy** or **Company**) is pleased to announce the completion of Tranche 1 (51%) acquisition of tenements comprising the Capricorn Gold-Copper Belt Project in central Queensland (**Capricorn Project**). The Company has the right to acquire the remaining 49% interest in the Capricorn Project tenements within 21 months after completion of Tranche 1 (April 2027).

The Capricorn Project tenements cover an area of 1,795 km^2 of contiguous granted and application stage exploration permits in central Queensland adjacent to and surrounding the historic Mt Morgan Gold Mine and contains multiple targets for gold, copper, molybdenum and zinc mineralisation, including over 30 km of strike length of the Middle Devonian age Mt Morgan Intrusive Complex which is interpreted to be the source of the Mt Morgan Mine gold and copper mineralisation. Whilst historic open file geological, geochemical and geophysics datasets exist across the Capricorn Project tenements, minimal exploration has occurred over these tenements since the 1990's.

The Bajool porphyry copper (**Cu**) – molybdenum (**Mo**) Prospect (within EPM 27097), hosted by the Bajool Intrusive Complex (**BIC**), is identified as a priority target for a substantial Porphyry Copper/Molybdenum system. Historic diamond hole D28-DDH4 at the Limonite Hill outcrop recently re-sampled, assayed and logged by the Company returned an intercept of:

> 16m at **0.57% Cu** and **441 ppm Mo** from 156m drill depth (using a 100 ppm Mo cut-off),
> including 2m at **3.22% Cu**, **252ppm Mo** and **17.7ppm silver** (**Ag**) from 160m drill depth[1]

Lithium Energy has also received approval for $189,200 in funding from the Queensland Government Collaborative Exploration Initiative (**CEI**) to undertake geophysical surveys at the Bajool Prospect[1]. The initial forward exploration work program over the BIC area (including as approved under the CEI grant) will comprise:

- Engagement with land holders and other stakeholders and the securing of access agreements;
- Undertaking 3D Direct Current Induced Polarisation (**DCIP**) surveys;
- Undertaking Magnetotelluric (**MT**) surveys;
- Processing, (2D and 3D) modelling and reporting results from the geophysical surveys; and
- Design of an initial drill program to test for further porphyry Cu-Mo mineralisation.

Lithium Energy is also continuing the interpretation of an existing and extensive historical database of geological information relating to the Capricorn Project area spanning a period of nearly 60 years, including the analysis of 7 historical drill cores (which includes Hole D28-DDH4 within the Bajool Prospect) retained by the Queensland Department of Natural Resources and Mines (at the Exploration Data Centre) with respect to various historic drill programs conducted by third parties over sections of the Capricorn Gold-Copper Belt area.

1 Refer LEL ASX Announcement dated 25 June 2025: Queensland Government Exploration Funding for Bajool Prospect, Capricorn Gold-Copper Belt Project

Completion under Asset Acquisition Agreements

Lithium Energy has entered into the following agreements to acquire a 100% interest in the Capricorn Project tenements[2]:

(a) an Asset Sale Agreement (dated 12 March 2025) with GBM Resources Limited (ASX:GBZ) (**GBZ**) to acquire the GBZ Tenements (EPM 17850, EPM 27096, EPM 27097, EPM 27098, EPM 27865 and MDL 2020) and mining information (**GBZ Agreement**);

(b) an Asset Sale Agreement (dated 12 March 2025) with PTr Resources Pty Ltd (**PTr**) to acquire the PTr Tenements (EPM 28156, EPM 28130, EPM 29040 and EPM 29065) and mining information (**PTr Agreement**).

The acquisition is to occur in two tranches:

(a) **Tranche 1** – transfer of a 51% interest in the GBZ/PTr Tenements and 100% of the GBZ/PTr mining information, to be completed after the satisfaction of relevant conditions, which occurred on 11 July 2025 (**Tranche 1 Completion Date**); and

(b) **Tranche 2** – transfer of the remaining 49% interest in the GBZ/PTr Tenements, to be completed after the satisfaction of relevant conditions, within 21 months after the Tranche 1 Completion Date (April 2027).

Completion of each tranche under the GBZ Agreement are to occur contemporaneously with completion of each tranche under the PTr Agreement.

Lithium Energy has paid a $100,000 Deposit and $600,000 Tranche 1 Completion Payment to GBZ/PTr with a further $2,325,290 consideration payable as follows:

(a) **Tranche 1 Deferred Payment** of $825,290 - payable 9 months after the Tranche 1 Completion Date (April 2026); and

(b) **Tranche 2 Payment** of $1,500,000 - payable on Tranche 2 completion, within 21 months after the Tranche 1 Completion Date (April 2027).[3]

Lithium Energy is required to pay a further $2,500,000 in Contingent Payments based on achievement of exploration success (reflected in maiden JORC mineral resource estimates) and feasibility study milestones and a 2.5% Net Smelter Return (**NSR**) Royalty (under a **Royalty Deed**).

Lithium Energy will also fund a minimum $4,000,000 expenditure on the GBZ/PTr Tenements up to the Tranche 2 completion date. Lithium Energy may at its election accelerate the completion of Tranche 2 by making the Tranche 2 Payment (of $1,500,000) to GBZ/PTr without the need for Lithium Energy to fully complete the balance of the $4,000,000 expenditure.

Tranche 2 completion is conditional upon the satisfaction or waiver of the following relevant conditions:

(a) the renewal of GBZ Tenements EPM 27096 and EPM 17850;

(b) the grant of each of the GBZ Tenement applications EPM 27856 and MDL 2020 and the transfer of a 51% interest in the same to Lithium Energy;

(c) the grant of each of the PTr Tenement applications EPM 29040 and EPM 29056 and the transfer of a 51% interest in the same to Lithium Energy; and

(d) Lithium Energy completing the minimum $4,000,000 minimum expenditure, unless Lithium Energy elects to exercise its right to proceed to Tranche 2 completion early by making the Tranche 2 Payment.

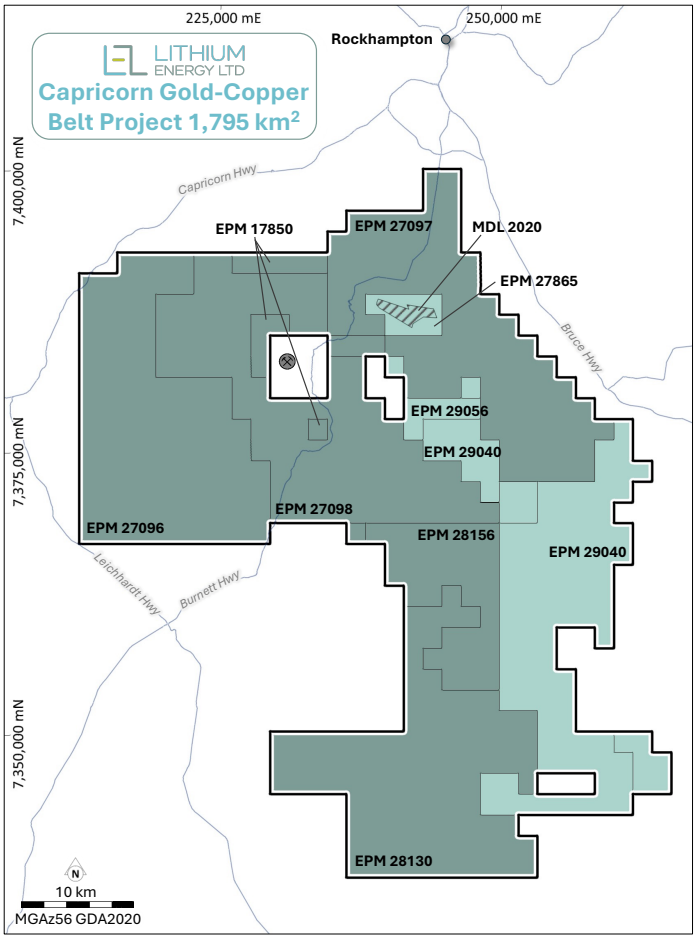
2 Refer LEL ASX Announcement dated 14 March 2025: Tenement Consolidation Creates Significant New District-Scale Gold-Copper Belt Project in Central Queensland

3 All payments are cited exclusive of goods and services tax (GST)

Refer to Annexure B of Lithium Energy's announcement dated 14 March 2025 titled "Tenement Consolidation Creates Significant New District-Scale Gold-Copper Belt Project in Central Queensland" for further details in relation to the GBZ Agreement, PTr Agreement and the Royalty Deed.

Background to Capricorn Gold-Copper Belt Project

The Capricorn Gold-Copper Belt Project tenements surround the historically prolific Mt Morgan gold mine in Queensland (**Mt Morgan Mine**) which operated from 1883 until 1981, producing ~50 Mt of ore at 4.99 g/t gold (**Au**) and 0.72% Cu, containing 7.65 million ounces of Au, 1.2 million ounces of Ag and 360kt of Cu.[4, 5, 6] The Mt Morgan Mine itself is not included in the Capricorn Project, though one focus of exploration activity for gold will be to test for repeats of Mt Morgan style gold mineralisation along strike within the Capricorn Project area.



Tenement Name	Tenement Type and No.	Status	Grant/ Application Date	Expiry Date	Area (sub-blocks)	Area (km²)
'Mt Morgan'	EPM 17850	Granted	15 Apr 2010	14 Apr 2025 (pending renewal)	13	42.06
Mt Morgan West	EPM 27096	Granted	27 Aug 2019	26 Aug 2024 (pending renewal)	100	323.5
Mt Morgan East	EPM 27097	Granted	10 Jan 2021	9 Jan 2026	92	297.62
Mt Morgan Central	EPM 27098	Granted	15 Dec 2020	14 Dec 2025	98	317.03
Mount Usher	EPM 27865	Application	1 Apr 2021	Up to 5 years after grant	7	22.65
Mount Usher	MDL 2020	Application	4 Nov 2020	Up to 5 years after grant	-	2.65
Capella North	EPM 28156	Granted	15 Nov 2023	14 Nov 2028	34	109.99
Capella South	EPM 28130	Granted	15 Nov 2023	14 Nov 2028	99	320.27
Dee Ranges	EPM 29040	Application	21 May 2024	Up to 5 years after grant	96	310.56
Dee Ranges 2	EPM 29056	Application	1 Jul 2024	Up to 5 years after grant	16	51.76

Capricorn Gold-Copper Belt Project
Exploration Permits and Licences
Queensland

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Figure 1: Capricorn Gold-Copper Belt Project Tenements

4 Ulrich, T., Golding, S.D., Kamber, B.S., Zaw, K. and Taube, A., 2003. Different mineralization styles in a volcanic-hosted ore deposit: the fluid and isotopic signatures of the Mt Morgan Au–Cu deposit, Australia. Ore Geology Reviews, 22(1-2), pp.61-90

5 Taube, A., 1986. The Mount Morgan gold-copper mine and environment, Queensland; a volcanogenic massive sulfide deposit associated with penecontemporaneous faulting. Economic Geology, 81(6), pp.1322-1340.

6 D'Arcy, K., 2018. EPM 25678, Mountain Maid, Third Annual Technical Report For the Twelve Months Ending 8 April, 2018.

The Capricorn Project contains multiple targets for gold, copper, molybdenum and zinc mineralisation, including over 30 km of strike length of the Middle Devonian age Mt Morgan Intrusive Complex which is interpreted to be the source of the Mt Morgan Mine gold and copper mineralisation[4,7]. Whilst historic open file geological, geochemical and geophysics datasets exist across the Capricorn Project tenements, minimal exploration has occurred over these tenements since the 1990's.

With the application of more modern interpretations of the regional geology, advances in geophysical and electrical survey techniques and the consolidation of large amounts of historical data in the Capricorn Project area, Lithium Energy plans to undertake an extensive program of exploration using modern geophysical techniques (including the use of advanced 3D analytics which will be applied to historical and new data) to guide an extensive drilling program over identified priority areas, targeting multiple large-scale Au, Cu, Mo, and Zn mineralised systems – including Mt Morgan gold, Cu-Mo and Cu-Au porphyry and volcanic massive sulphide (**VMS**) styles.

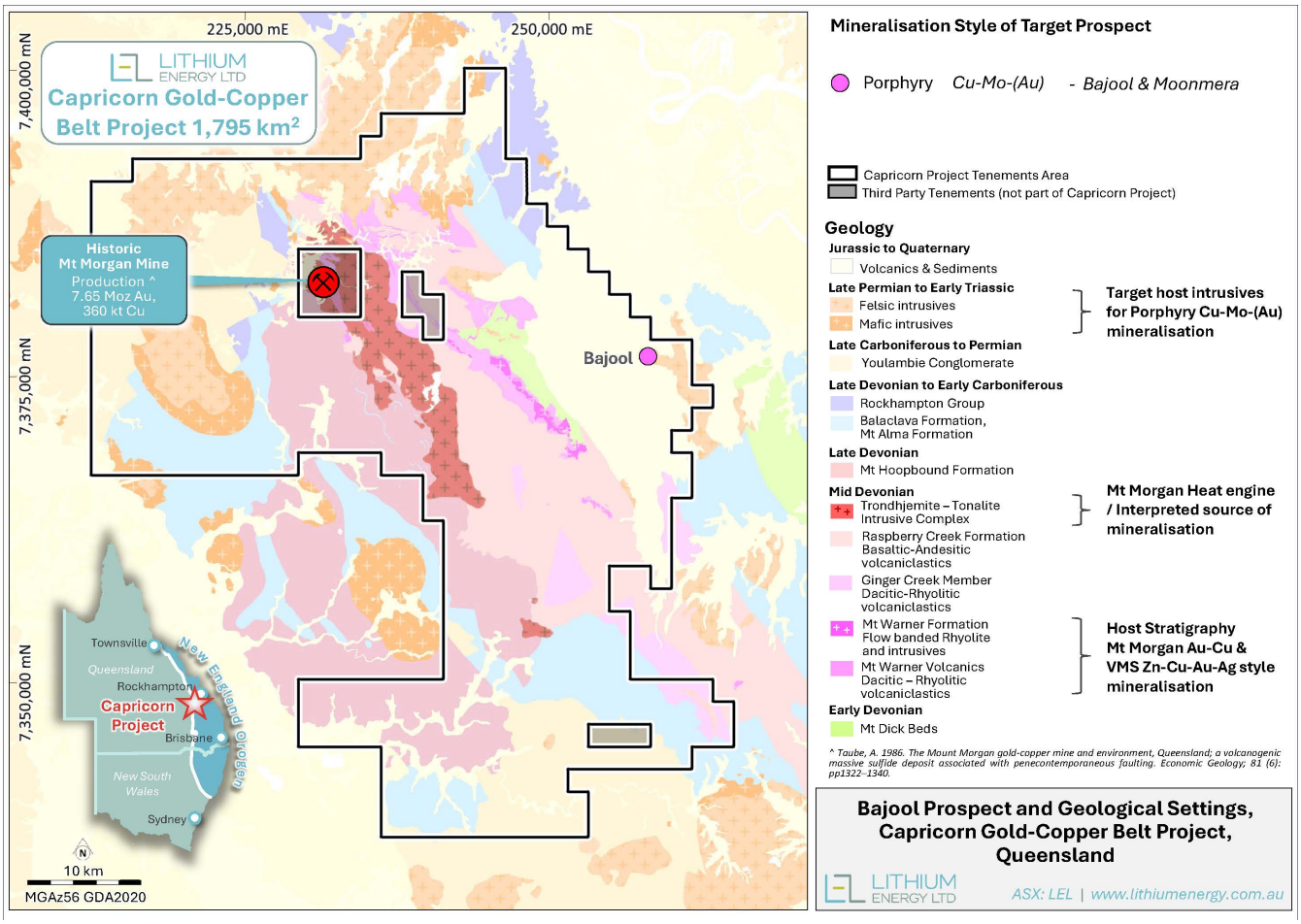

Figure 2: Location Map of Capricorn Gold-Copper Belt Project showing Bajool Prospect (containing the Limonite Hill mineral occurrence) and geological settings

AUTHORISED FOR RELEASE - FOR FURTHER INFORMATION:

William Johnson
Executive Chairman
T | (08) 9214 9737
E | chair@lithiumenergy.com.au

7 Arnold, G.O. and Sillitoe, R.H., 1989. Mount Morgan gold-copper deposit, Queensland, Australia; evidence for an intrusion-related replacement origin. Economic Geology, 84(7), pp.1805-1816.

JORC CODE (2012) COMPETENT PERSON'S STATEMENT

The information in this document that relates to Exploration Results in relation to the Capricorn Gold-Copper Belt Project is extracted from the following ASX market announcement made by Lithium Energy dated:

- 25 June 2025 entitled "Queensland Government Exploration Funding for Bajool Prospect, Capricorn Gold-Copper Belt Project"

The information in the original announcement is based on, and fairly represents, information and supporting documentation prepared and compiled by Mr Peter Smith (BSc (Geophysics) (Sydney) AIG ASEG). Mr Smith is a Member of the Australian Institute of Geoscientists (**AIG**) and a Director of the Company. Mr Smith has the requisite experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves' (**JORC Code (2012)**). 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 (referred to above). The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement (referred to above).

FORWARD LOOKING STATEMENTS

This document contains "forward-looking statements" and "forward-looking information", including statements and forecasts which include without limitation, expectations regarding future performance, costs, production levels or rates, mineral reserves and resources, the financial position of Lithium Energy, industry growth and other trend projections. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "is expecting", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes", or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might", or "will" be taken, occur or be achieved. Such information is based on assumptions and judgements of management regarding future events and results. The purpose of forward-looking information is to provide the audience with information about management's expectations and plans. Readers are cautioned that forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Lithium Energy and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include, among others, changes in market conditions, future prices of minerals/commodities, the actual results of current production, development and/or exploration activities, changes in project parameters as plans continue to be refined, variations in grade or recovery rates, plant and/or equipment failure and the possibility of cost overruns. Forward-looking information and statements are based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date such statements are made, but which may prove to be incorrect. Lithium Energy believes that the assumptions and expectations reflected in such forward-looking statements and information are reasonable. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Lithium Energy does not undertake to update any forward-looking information or statements, except in accordance with applicable securities laws.