

6 November 2024

## ASX Announcement

**Kayelekera Uranium Project Fully Funded for 2025 Restart**

**Lotus Resources Limited** (ASX: LOT, OTCQX: LTSRF) (Lotus or the Company) is pleased to provide an update on restarting production at its Kayelekera Uranium Project in Malawi in Q3 2025, with works progressing to ensure the Company becomes the next significant global uranium producer.

**HIGHLIGHTS**

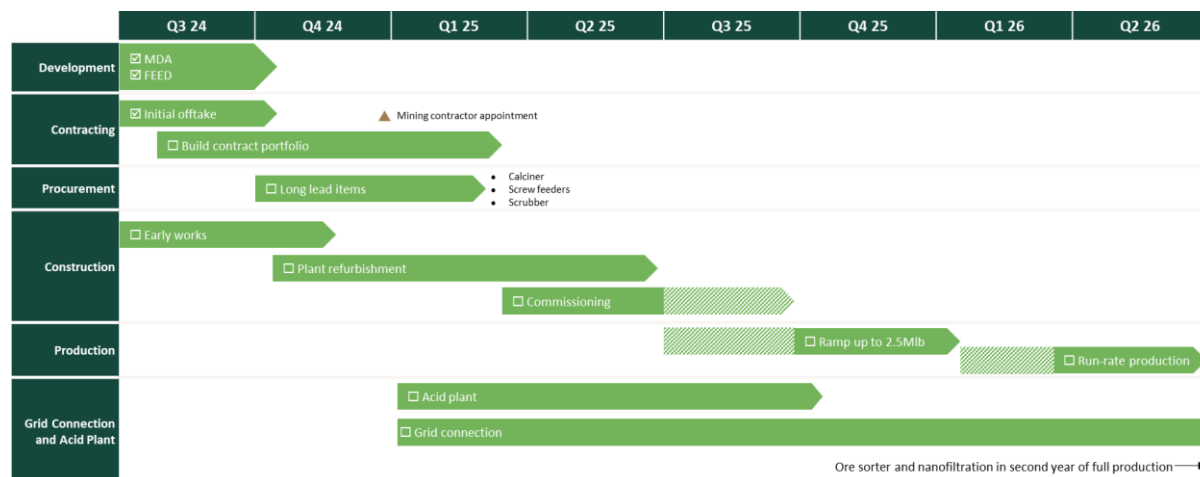
- A\$130 million Placement with A\$25 million cash at end of September 2024 and Share Purchase Plan (SPP) to ensure a fully funded mine restart
  - Tranche 1 settled
  - Tranche 2 shareholder approval meeting scheduled for 6 December 2024
  - SPP currently closing on 14 November 2024
- Onsite team of 150 expat and local personnel recruited and deployed
  - Camp and plant refurbishment underway
- Critical long lead items ordered:
  - Including calciner, scrubber and screw feeder
  - Significant spares and inventory onsite
- Repaired and recommissioned key equipment including all transformers energised, apron feeder, mineral sizer, all conveyors, pre-leach thickener and fire water system
- Awarded the EPCM contract for the acid plant refurbishment and relocation
- Appointed key operations management personnel

**CEO Greg Bittar commented:** “The successful placement of A\$130 million, along with A\$25 million cash we had at the end of September and SPP, ensures that we are fully funded to restart Kayelekera production in Q3 2025.

*The progress to date is clearly visible with a whole host of site activities and work streams focused on lifting the tailings storage, repairing, refurbishing and recommissioning plant and equipment along with plant structural modifications.*

*With a new team in place on site, safety is of utmost priority and so we have ensured the necessary management and supervision are in place to strive for a culture of and commitment to zero harm.”*

Following the completion of Tranche 1 of the \$130m placement, Lotus is on track to deliver the Accelerated Restart Project Development Schedule (Figure 1).



**Figure 1: Accelerated Restart Project Development Schedule**

Key early works and long lead orders include:

- Camp infrastructure upgrades including water treatment, sewage system and rooms;
- Orders placed for calciner, scrubber and screw feeder for drying and packaging plant;
- Tools and mobile equipment and plant, including man-lifts and telehandlers for construction crew;
- Purchased 70-tonne and 200-tonne cranes for construction and operations;
- Engineering, Procurement, Construction and Management contract issued for acid plant relocation and refurbishment with civil works to begin before the end of the year; and
- Design package awarded for drying and packaging plant.

Key operations management personnel have been recruited, along with a 150+ person combined local and ex-pat workforce that is expected to grow in coming months to ensure the restart is completed on schedule and the Company is ready for operations. The Company is particularly focused on safety and, in addition to recruiting three safety experts, has appointed third party specialists.



Figure 2: Daily “toolbox” meeting for construction and refurbishment crew



Figure 3: Feed conveyor gearbox repairs





Figure 4: Fire water system upgrade



Figure 5: Crushing and grinding plant at Kayelekera



**Figure 6: 200-tonne crane disassembly in Johannesburg, South Africa. for transport to site**

This ASX announcement was approved and authorised by the Board of Lotus Resources Limited.

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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 as set out in the table below, and historically produced ~11Mlb of uranium between 2009 and 2014. The Company completed a positive Restart Study<sup>1</sup> which has determined an Ore Reserve of 23Mlbs U<sub>3</sub>O<sub>8</sub> and demonstrated that Kayelekera can support a viable operation. The Letlhakane Project hosts a current resource also set out in the table below.

### LOTUS MINERAL RESOURCE INVENTORY – APRIL 2024<sup>2,3,4,5</sup>

Project	Category	Mt	Grade (U <sub>3</sub> O <sub>8</sub> ppm)	U <sub>3</sub> O <sub>8</sub> (M kg)	U <sub>3</sub> O <sub>8</sub> (M lbs)
Kayelekera	Measured	0.9	830	0.7	1.6
Kayelekera	Measured – RoM Stockpile <sup>6</sup>	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 <sup>7</sup>	2.24	290	0.7	1.5
<b>Kayelekera</b>	<b>Total – Kayelekera</b>	<b>42.5</b>	<b>500</b>	<b>21.1</b>	<b>46.3</b>
Livingstonia	Inferred	6.9	320	2.2	4.8
<b>Livingstonia</b>	<b>Total – Livingstonia</b>	<b>6.9</b>	<b>320</b>	<b>2.2</b>	<b>4.8</b>
<b>Kayelekera Project Total</b>		<b>49.4</b>	<b>472</b>	<b>23.3</b>	<b>51.1</b>
Letlhakane	Indicated	46.1	339	15.6	34.4
Letlhakane	Inferred	109.2	348	38.0	83.8
<b>Letlhakane</b>	<b>Total – Letlhakane</b>	<b>155.3</b>	<b>345</b>	<b>53.6</b>	<b>118.2</b>
<b>Total</b>	<b>All Uranium Resources</b>	<b>204.7</b>	<b>377</b>	<b>76.8</b>	<b>169.3</b>

### LOTUS ORE RESERVE INVENTORY – JULY 2022<sup>8</sup>

Project	Category	Mt	Grade (U <sub>3</sub> O <sub>8</sub> ppm)	U <sub>3</sub> O <sub>8</sub> (M kg)	U <sub>3</sub> O <sub>8</sub> (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
<b>Kayelekera</b>	<b>Total</b>	<b>15.9</b>	<b>660</b>	<b>10.4</b>	<b>23.0</b>

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

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

<sup>3</sup> See ASX announcement dated 9 May 2024 for information on the Letlhakane mineral resource estimate.

<sup>4</sup> See ASX announcement dated 9 June 2022 for information on the Livingstonia mineral resource estimate.

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

<sup>6</sup> RoM stockpile has been mined and is located near mill facility

<sup>7</sup> 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.

<sup>8</sup> 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.