



Quarterly Report

For the quarter ended 30 June 2025



Leo Lithium Limited (**Leo Lithium** or **Company**) provides its report for the quarter ended 30 June 2025.

Key events

- Tranche 2 proceeds (including interest) of US\$177.6 million received from Ganfeng on 3 July 2025.
- M&A discussions progressing, with shareholder update released during the quarter.
- Annual General Meeting (**AGM**) held on 28 May 2025 with all resolutions approved by shareholders.

On the June quarter, Executive Chairman Simon Hay commented:

"During the quarter, the Company made encouraging progress on acquiring a new asset and is steadily advancing a small number of lithium hard rock M&A opportunities. We have been pleased to keep shareholders updated on our progress through several announcements and the detailed presentation at our AGM. Management is optimistic that we will be able to announce a transaction in the current quarter, of course subject to the usual caveats of a deal not being done until it is fully negotiated and signed. Any deal announcement will address the Company's intended use of Tranche 2 funds, including any associated distribution to shareholders. It is expected that any shareholder approval and distribution will occur in the second half of calendar year 2025.

After the quarter closed, we were pleased to receive from Ganfeng the US\$177.6 million final payment for the sale of the Company's remaining interest in the Goulamina Lithium Project. Of this, US\$177.0 million has been converted into A\$281.6 million utilising the call option put in place earlier in the year. This hedge has benefited the Company by an additional, A\$9.8 million versus converting at spot exchange rates at the time of closing out the hedge."

This announcement has been approved for release to the ASX by the Board.

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STRATEGY UPDATE

In January, the Company set out its strategic focus to acquire an asset and seek re-quotation of the Company's shares on the ASX. An update on this strategy was provided in May 2025¹ as follows:

Screen	Considerations	Status update
Commodity	Focus on lithium – hard rock and brines	Current discussions focused on lithium hard rock
Jurisdiction	WA, US, Canada, South America (including lithium triangle), Europe	Current focus in North and South America
Project life stage	Development projects, pre-FID	All current opportunities pre-FID
Project scale	Projects capable of becoming a significant global lithium producer whilst maintaining financial discipline and balance sheet strength	Tier 1 opportunity targeted for a cornerstone asset
Structure	Leo Lithium to be the operator and/or majority owner to enable resumption of trading on the ASX	Leo Lithium seeking majority ownership and operatorship
Timing	If no opportunities significantly progressed by Q3 2025 (i.e. ending 30 Sep), return Tranche 2 funds to shareholders (expected in H2 2025)	All of Tranche 2 funds to be returned if not used in acquisitions

Progress update

The Company is steadily advancing a small number of lithium hard rock M&A opportunities and management is optimistic that one will be announced in the current quarter, subject to the usual caveats that at this stage a deal is not completed. Any deal announcement will address the Company's intended use of Tranche 2 funds, including any distribution to shareholders. It is expected that any shareholder approval and distribution will occur in the second half of calendar year 2025.

Where completion of an acquisition occurs after the upcoming automatic delisting date of 19 September 2025, the transaction structure will include an application to relist on the ASX. The Company has engaged with ASX on this process although there is no guarantee the ASX will approve any relisting application. Generally, the ASX has stated that when it requires a company to re-comply with ASX's admission and quotation requirements in Chapters 1 and 2 of the ASX listing rules, ASX treats that application as if it were a new, fresh application by the entity to be admitted to the official list. Thus, seeking an application to relist on the ASX post 19 September 2025 should be no easier or harder for the Company in terms of satisfying the requirements of the ASX.

At this stage, all opportunities remain incomplete and confidential, and none have progressed to a point where commercial terms have been agreed or finalised. There is no guarantee that any transaction will be agreed or completed.

CORPORATE UPDATE

Receipt of final Goulamina sale proceeds

On 3 July 2025 the Company received the final payment of US\$171.2 million from Ganfeng Lithium Group Co. Ltd (**Ganfeng**) for the sale of the Company's 40% shareholding in Mali Lithium B.V., the holding company of the Goulamina Lithium Project. In addition, the Company received interest of

¹ See ASX announcements dated 12 May 2025 titled "Shareholder Update" and 28 May 2025 titled "2025 Annual General Meeting Presentation" available at www.asx.com.au.

US\$6.4 million on this final payment, making total receipts of US\$177.6 million.

In April 2025, the Company purchased a call option for US\$177.0 million at an AUD:USD exchange rate of 0.6282 (including the costs of the option premium, but excluding the costs of the trading margin). In July 2025, the Company exercised this option and converted US\$177.0 million into Australian dollars, netting A\$281.6 million.

Potential uses of Tranche 2 funds

The Company has previously announced that:

- any decision on the return of Tranche 2 funds to shareholders will be made in connection with M&A activity currently being undertaken by the Company;
- should a proposed acquisition involve the use of any of the Tranche 2 funds, the Company will seek shareholder approval for that acquisition; and
- if no M&A opportunities are significantly progressed by Q3 2025 (i.e. ending 30 September), the Tranche 2 funds will be returned to shareholders in the second half of calendar year 2025.

First spodumene shipment from Goulamina

Ganfeng's first shipment of spodumene concentrate from the Goulamina Lithium Project departed the port of Abidjan, Côte d'Ivoire in June 2025. A trailing product service fee will be payable to Leo Lithium on this material in the fourth quarter of 2025.

Shareholder engagement

The Company held its Annual General Meeting of shareholders on 28 May 2025 at which all resolutions put to the meeting were approved.

Change in Company Auditor

Following approval at the AGM, BDO Audit Pty Ltd was appointed as auditor of the Company.

Listing rule disclosures

Leo Lithium did not undertake any mining exploration, mining production or development activity during the quarter. Leo Lithium did not acquire or dispose of any mining tenements during the quarter and did not hold any mining tenements at the end of the quarter.

FINANCE & FUNDING UPDATE

The Company's closing cash balance as at 30 June 2025 was A\$53.3 million, compared to A\$57.6 million as at 31 March 2025. The major cash flow movements during the quarter were:

- Income tax payment of A\$2.1 million relating to the 31 December 2024 income tax year. As a result, all tax payments relating to the sale of the Company's 40% shareholding in Mali Lithium B.V. including the trailing product service fee have been completed.
- A final advisory fee of A\$1.3 million incurred in connection with the Goulamina sale due on Tranche 2 proceeds which was paid in May 2025.
- Salaries and related costs of A\$0.9 million.
- Administration and corporate costs of A\$0.9 million, including A\$0.6 million of costs associated with business development activities.
- Interest income on cash reserves of A\$0.8 million received.

Pursuant to ASX Listing Rule 5.3.5, payments of A\$186,308 were made to related parties during the quarter, being the payment of the Executive Chairman's salary, and superannuation, in addition to

Non-Executive Directors' fees as set out in Section 6 of the Quarterly Cashflow Report. For further details refer to the audited Remuneration Report in the Company's 2024 Annual Report released on 27 February 2025.

Forward-Looking Statements

Where this announcement contains forward-looking statements which are statements that may be identified by words such as "may", "will", "would", "should", "could", "believes", "estimates", "expects", "intends", "plans", "anticipates", "predicts", "outlook", "forecasts", "guidance" and other similar words that involve risks and uncertainties, those statements are based on, among other things, a number of best estimate assumptions regarding future events and actions that, at the date of this announcement, are expected to take place.

Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company and the directors and management of the Company. The Company cannot and does not give any assurance that the results, events, performance or achievements expressed or implied by the forward-looking statements contained in this announcement, will actually occur, and readers of this announcement are cautioned not to place undue reliance on these forward-looking statements.

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Statements made in this announcement are made only as at the date of this announcement.