

23 January 2025

ASX Announcement

Lotus advances Kayelekera Project towards Q3 CY25 production and makes key board appointments

Lotus Resources Limited (ASX: LOT, OTCQX: LTSRF) (Lotus or the Company) is pleased to provide an update on its fully funded refurbishment and restart works at its Kayelekera uranium project in Malawi that continue towards production in Q3 2025, along with changes to its Board of Directors as it prepares for operations.

HIGHLIGHTS

- **Kayelekera restart is progressing as planned with first uranium production on track for Q3 2025**
 - Restart schedule and capex on track
 - On-site restart workforce now comprises 200 local and ex-pat personnel
 - All key plant refurbishment contracts awarded
- **Experienced Company Directors Leanne Heywood and Simon Hay appointed as Non-Executive Directors effective 3 February 2025 as Board transition continues**
 - Ms Heywood has + 25 years' experience in the mining sector, most recently in a senior international marketing role with Rio Tinto and is a highly experienced public company non-executive director
 - Mr Hay has built up extensive management and technical experience in the resources sector over 30 years and is also a highly experienced public company director
- **Community Development Agreement Signed**
 - Strong government and community support with the signing of the Community Development Agreement (CDA) on 6 January 2025
 - The objectives of the CDA include: sustainable community development; enhance welfare and quality of life; and ensuring the recognition and respect of the rights, customs and traditions of the Qualified Community
- **Hayden Bartrop appointed Chief Financial Officer**

Non-Executive Chairman Michael Bowen commented: *"We are moving ahead with our preparations to restart operations at Kayelekera and these activities are progressing well to ensure we meet our target of first uranium production in Q3 of this calendar year. With the strong momentum on site restart works, Lotus is well placed to transition from a uranium developer into the next global uranium producer."*

In preparation for this, we announce further changes to our Board to ensure we have a well-rounded skillset across our team to commence this new chapter. We are delighted that Leanne and Simon have agreed to join the Board as Non-Executive Directors at this very exciting but critical time for Lotus.

Leanne's extensive management experience in corporate strategy, operations, marketing and sales, finance, risk management as well as governance and sustainability across the resource and energy sectors will be incredibly valuable to Lotus.

Simon brings broad management and executive experience but also strong technical experience covering all aspects of capital works across various commodities and jurisdictions, including Africa."

The appointments of Leanne Heywood and Simon Hay effective 3 February 2025 are a key step in the Board transition to be completed before 30 June 2025.

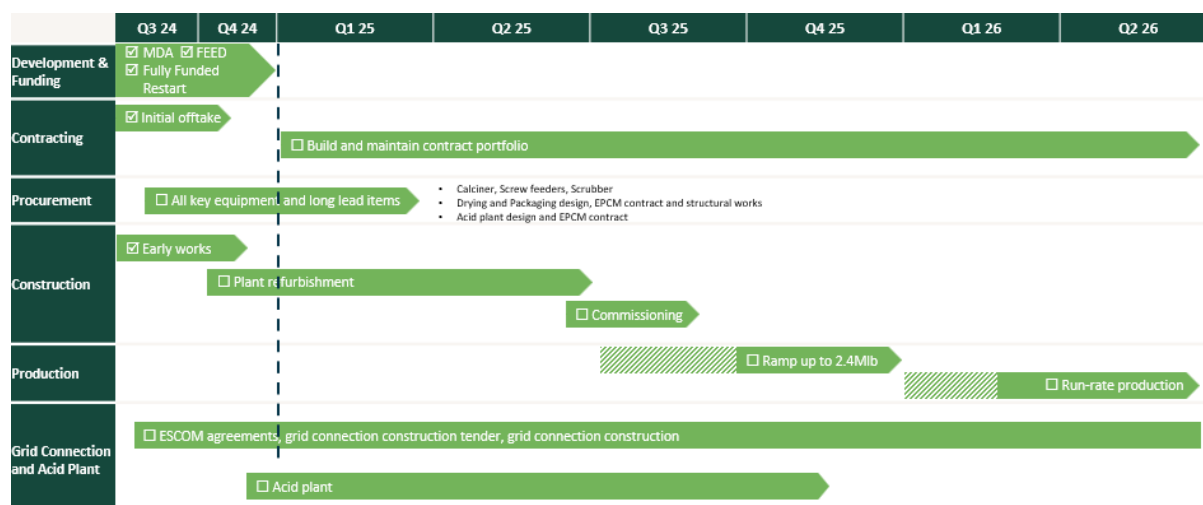
KAYELEKERA PROJECT UPDATE

The refurbishment and construction team now comprises over 200 people, consisting of both local and ex-pat personnel. In addition, Lotus is currently recruiting key operations management personnel including Processing Manager, Mining Engineer and Maintenance Manager.

Areas of focus for the refurbishment team are the crusher, the leach, resin in pulp, and elution areas, the precipitation plant, drying and packaging, and the ferric plant. Recent works include:

- Civil works across a range of areas including the Elution area, Acid Plant relocation site and workshops;
- Engineering, Procurement and Construction Management contract issued for acid plant relocation and refurbishment, with construction works underway;
- Design package awarded for drying and packaging plant with design now largely complete and steelwork in fabrication;
- New crusher/mineral sizer discharge chute installed;
- Electrical, mechanical and instrumentation teams continue to remove, repair, and test key components; and
- Refurbishment of the cyclone cluster.

FULLY FUNDED ROADMAP TO PRODUCTION



The latest photos depicting site works are shown below.



Figure 1: Aerial photo of plant



Figure 2: Calciner and screwfeeder



Figure 3: New crusher/mineral sizer discharge chute installed



Figure 4: Team meeting of construction and refurbishment crew

BOARD APPOINTMENTS

Leanne Heywood

Ms Heywood is an experienced non-executive director, audit and risk committee, and people and remuneration committee chair, with broad general management experience gained through an international career in the mining sector, including 10 years with the Rio Tinto Copper Group. Her experience includes strategic marketing, business finance and compliance and she has led organisational restructures, mergers, acquisitions and disposals at both the executive and board level. Additionally, she has significant experience in complex cross-cultural negotiations and stakeholder relationships management, including governments and investment partners and leadership expertise in China, Japan, Mongolia, Singapore and South America.

Ms Heywood currently serves as a non-executive director and the audit and risk committee chair for Arcadium Lithium PLC (NYSE:LTHM), a global lithium chemicals producer, and Midway Ltd (ASX: MWY), a wood fibre processor and exporter (both subject to Schemes of Arrangement). She is also a Non-Executive Director of MAC Copper Limited (ASX: MAC), formerly Metals Acquisition Ltd, a company focussed on operating and acquiring metals and mining businesses that are critical in the electrification and decarbonisation of the global economy and a director of Snowy Hydro Limited, an integrated energy company supporting transition and renewables.

Ms Heywood received a Medal of the Order of Australia in 2021 and was named 2019 NSW Business Woman of the Year. She holds a Bachelor of Business (Accounting), an Executive MBA (Melbourne Business School) and is a member of the Australian Institute of Company Directors (GAICD) and CPA Australia (FCPA).

Simon Hay

Mr Hay is a high achieving minerals professional with extensive management and technical experience built up over a career spanning 30 years in Australia and internationally. He is currently Executive Chairman of Leo Lithium Ltd (ASX:LLL). Leo Lithium has recently sold its interests in the Goulamina Lithium Project in Mali for gross proceeds of US\$343 million, after successful development and construction of the project through to the commissioning and early operational phase.

Mr Hay was formerly non-executive Chair of Battery Future Acquisition Corp. Battery Future is a SPAC that listed on the NYSE in December 2021.

From July 2019 to November 2021, he was CEO of Galaxy Resources, an ASX listed lithium producer and developer until merging with Orocobre to create a A\$5Bn, top 5 global lithium producer. Under his leadership, Galaxy's hard rock spodumene mine in Western Australia achieved consistent and record production rates, the company's Sal de Vida project, a tier one lithium brine deposit in Argentina, progressed from feasibility through a piloting phase and to FID and the company also advanced its James Bay hard-rock lithium project in Quebec, Canada to the engineering phase.

Prior to this, as Head of Resource Development for Iluka Resources Limited, Mr Hay was responsible for exploration and geology, mine planning and development, major projects and engineering, technology and innovation functions for Iluka's portfolio of projects. This included building two mineral sands concentrators in Sierra Leone, West Africa, managing a capital budget of A\$300 million per annum and a workforce of approximately 200 people.

COMMUNITY DEVELOPMENT AGREEMENT

Lotus signed a Community Development Agreement (**CDA**) at a ceremony in Karonga, the local municipal centre closest to Kayelekera. This was a well-attended and publicised event that was recognised both locally and in the capital Lilongwe, including by Malawi's Presidential Delivery Unit.



Figure 5: Signing ceremony for CDA – His Royal Highness Paramount Chief Dr Kyungu with community and Lotus representatives

The CDA is a legally binding agreement which establishes a Community Development Fund (representing at least 0.45% of annual gross sales revenue), overseen by a Steering Committee, which are to be used for projects which deliver the objectives of the CDA.

These objectives include: sustainable community development; enhance welfare and quality of life; and ensuring the recognition and respect of the rights, customs and traditions of a Qualified Community (**QC**). A QC is any community of more than 3,000 persons which by tradition or by circumstances constitute a social community and reside within 20km of the mining licence boundary.

The CDA was formulated through a comprehensive process of meetings, focused group discussions, one-on-one interviews, and workshops. Participants included the District Commissioner and all Heads of Government Departments in Karonga District, His Royal Highness the Paramount Chief Kyungu, and local communities.

Currently, the prioritised projects include investments in multiple health centres development and operations, hostels, maternity wing development, infrastructure projects such as water pumps, electricity supply, road improvements and bridges and investments in a number of schools.

CHIEF FINANCIAL OFFICER

Hayden Bartrop has been appointed Chief Financial Officer.

Managing Director Greg Bittar commented: *"We are very pleased to have Hayden assume the role of Chief Financial Officer. He has extensive mining industry experience working across CFO, General Counsel, Business and Corporate Development, Commercial and Company Secretary roles. Hayden joined Lotus in 2024 and has quickly developed a very thorough knowledge of the commercial, legal and financial aspects of the Company."*

Mr Bartrop will continue as Chief Commercial Officer and Company Secretary.

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

For more information contact:

GREG BITTAR

Managing Director

greg.bittar@lotusresources.com.au

T: +61 (08) 9200 3427

NATHAN RYAN

Investors and Media

nathan.ryan@nwrcommunications.com.au

T: +61 420 582 887

For more information, visit www.lotusresources.com.au

ABOUT LOTUS

Lotus is a leading Africa-focused advanced uranium player with significant scale and Mineral 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 Mineral Resource as set out in the table below, and historically produced ~11Mlb of uranium between 2009 and 2014. The Company completed a positive Restart Study¹ which has determined an Ore Reserve of 23Mlbs U₃O₈ and demonstrated that Kayelekera can support a viable operation. The Letlhakane Project hosts a current Mineral Resource also as set out in the table below.

LOTUS MINERAL RESOURCE INVENTORY – DECEMBER 2024^{2,3,4,5,6}

Project	Category	Mt	Grade	U ₃ O ₈	U ₃ O ₈
			(U ₃ O ₈ ppm)	(M kg)	(M lbs)
Kayelekera	Measured	0.9	830	0.7	1.6
Kayelekera	Measured – RoM Stockpile ⁷	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 ⁸	2.24	290	0.7	1.5
Kayelekera	Total – Kayelekera	42.5	500	21.1	46.3
Letlhakane	Indicated	71.6	360	25.9	56.8
Letlhakane	Inferred	70.6	366	25.9	56.9
Letlhakane	Total – Letlhakane	142.2	363	51.8	113.7
Livingstonia	Inferred	6.9	320	2.2	4.8
Livingstonia	Total – Livingstonia	6.9	320	2.2	4.8
Total	All Uranium Mineral Resources	191.6	392	75.1	164.8

LOTUS ORE RESERVE INVENTORY – JULY 2022⁹

Project	Category	Mt	Grade	U ₃ O ₈	U ₃ O ₈
			(U ₃ O ₈ ppm)	(M kg)	(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
Kayelekera	Total	15.9	660	10.4	23.0

¹ See ASX announcement dated 11 August 2022 for information on the Definitive Feasibility Study and ASX announcement dated 8 October 2024 in relation to the Accelerated Restart Plan. The Company confirms that all material assumptions underpinning the information in those ASX announcements dated 11 August 2022 and 8 October 2024 continue to apply and have not materially changed.

² See ASX announcement dated 15 February 2022 entitled "Kayelekera mineral resource increases by 23%" for information on the Kayelekera Mineral Resource Estimate. The competent person for that announcement was David Princep.

³ The Kayelekera Mineral Resource Estimate is inclusive of the Kayelekera Ore Reserves.

⁴ See ASX announcement dated 9 June 2022 entitled "Uranium Resource Increases to 51.1Mlbs" for information on the Livingstonia Mineral Resource Estimate. The competent person for that announcement was David Princep.

⁵ See ASX Announcement dated 6 December 2024 for information on the Letlhakane Mineral Resource Estimate.

⁶ Lotus confirms that it is not aware of any new information or data that materially affects the information included in the respective Mineral Resource announcements of 15 February 2022, 6 June 2022 and 6 December 2024 and that all material assumptions and technical parameters underpinning the Mineral Resource Estimates in those announcements continue to apply and have not materially changed. Lotus confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from those market announcements.

⁷ RoM stockpile has been mined and is located near mill facility.

⁸ 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.

⁹ 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. Except for information in the Accelerated Restart Plan announced on the ASX on 8 October 2024, 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. Lotus confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the 11 August 2022 announcement.