

29 January 2025

ASX Announcement

Lotus secures additional uranium offtake with North American utility**HIGHLIGHTS**

- Lotus signs an additional uranium offtake arrangements for a total of 800,00 lbs of uranium for 2026 – 2029, at an escalated fixed price
- Term sheet signed with North American power utility PSEG Nuclear LLC
 - PSEG Nuclear LLC's term sheet, consistent with the offtake arrangement announced with PSEG Nuclear LLC in September 2024, is non-binding and conditional on the execution of a full-form document – which is well advanced and expected to be finalised this quarter
- Lotus continues to advance discussions relating to a series of additional contracts with other North American nuclear power utilities as part of its initial offtake strategy
- Contract pricing based on an agreed US\$ base price referenced from the current published long-term prices (with escalation) - delivering a very attractive margin over Kayelekera's expected AISC¹

Lotus Resources Limited (ASX: LOT, OTCQX: LTSRF) (Lotus or the Company) is pleased to announce it has signed another term sheet for U₃O₈ sales with North American utility PSEG Nuclear LLC, a subsidiary of Public Sector Enterprise Group, a diversified energy company based in Newark, New Jersey.

Together with the offtake already announced, these arrangements represent the sale of a minimum of 2.3 million lbs and up to 2.6 million lbs of uranium produced at Kayelekera from 2026 through until the end of 2032.

The contract pricing achieved is the result of continued competitive discussions and secured to deliver strong margins, including for any optional quantities, for the U₃O₈ sold. A fixed-price escalation percentage per annum applies from the time of delivery.

Lotus's continued engagement with North American nuclear power utilities for offtake of more substantial volumes of U₃O₈ from Kayelekera is designed to leverage utilities' continuing demand for contract pricing based on both fixed prices and the long-term uranium price.

Lotus Managing Director Greg Bittar said: *"Each sales contract, coupled with our strong capitalisation and liquidity comprising circa US\$135 million in cash² and undrawn facilities³ mark terrific milestones for Lotus and our Kayelekera Project. We look forward to finalising the binding agreement with PSEG Nuclear LLC and announcing further offtake progress."*

¹ Based on the 2024 Accelerated Restart Plan AISC estimate of US\$44.80 / lb as announced to the ASX on 8 October 2024. The LOM plan referred to in that announcement contains approximately 4% from Inferred Resources contained in existing stockpiles. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised. The Ore Reserve and Mineral Resources underpinning the forecast financial information derived from a production target have been prepared by a competent person in accordance with the requirements in Appendix 5A (JORC Code).

² As at 31 December 2024, the Company had A\$132.8 million in cash (unaudited), which included US\$55.8 million in cash. Exchange rate assumption AUD:USD: 0.6211

³ Undrawn facilities include US\$15 million unsecured loan from Curzon Uranium (refer to announcement dated 3 September 2024), and US\$18.5 million in aggregate equipment finance terms sheets with Standard Bank Plc and First Capital Bank Limited and a term sheet for a US\$20 million working capital facility with Standard Bank Plc (the term sheets are subject to credit approval, binding documentation and other customary terms and conditions. Refer to announcement dated 28 January 2025).



ABOUT PSEG NUCLEAR LLC

PSEG Nuclear LLC is a subsidiary of Public Service Enterprise Group (PSEG), a publicly traded diversified energy company based in Newark, New Jersey. PSEG Nuclear LLC operates three nuclear generating units in southern New Jersey: Salem Generating Station Units 1 and 2, and the Hope Creek Generating Station. These facilities are located at the Artificial Island site on the Delaware River.

The Salem Generating Station consists of two pressurized water reactors, while the Hope Creek Generating Station has a single boiling water reactor. Together, these plants are significant sources of carbon-free electricity for the region, providing a substantial portion of the electricity consumed in New Jersey and the surrounding areas.

PSEG Nuclear is focused on ensuring the safe, reliable, and efficient operation of its nuclear facilities, while maintaining high standards of safety and environmental protection. The company participates in the PJM Interconnection, a regional transmission organization that coordinates the movement of wholesale electricity in all or parts of Delaware, Illinois, Indiana, Kentucky, Maryland, Michigan, New Jersey, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia and the District of Columbia, contributing to the region's efforts to reduce carbon emissions and promote clean energy.

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

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SCHEDULE 1 – KEY TERMS

Key Terms of the PSEG Nuclear LLC Kayelekera Offtake Term Sheet

Fixed Quantity: 800,000 lbs for delivery from 2026-2029.

Pricing: Fixed price, referenced off the published long term prices for uranium, escalated from time of first delivery.

Conditions: Sale and Purchase Agreement subject to customary terms and conditions.

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 Study⁴ 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^{5,6,7,8,9}

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 ¹⁰	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 ¹¹	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 2022¹²

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

⁴ 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 that 8 October 2024 ASX announcement continue to apply and have not materially changed.

⁵ 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.

⁶ The Kayelekera Mineral Resource Estimate is inclusive of the Kayelekera Ore Reserves.

⁷ 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.

⁸ See ASX Announcement dated 6 December 2024 for information on the Letlhakane Mineral Resource Estimate.

⁹ 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.

¹⁰ RoM stockpile has been mined and is located near mill facility.

¹¹ 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.

¹² 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.