

5 June 2024

MOU EXECUTED WITH CANMAX FOR SPODUMENE OFFTAKE FROM LEI PROJECT

Lithium Plus Minerals Limited (ASX: LPM) (**LPM, Lithium Plus** or the **Company**) is pleased to announce that it has entered into a non-binding Memorandum of Understanding (**MOU**) regarding a spodumene offtake agreement with Canmax Technologies Co., Ltd (XSHE: 300390) (**Canmax**) from the Lei Deposit at the 100% owned Bynoe Lithium Project near Darwin in the Northern Territory, Australia. (**Lei Project**). A full-form binding offtake agreement is to be entered into upon formal grant of the Lei Project Mining Lease.

KEY HIGHLIGHTS

- + MOU outlines the principal terms for an offtake agreement for 50% of the spodumene direct shipping ore (**DSO**) and spodumene concentrate produced from the Lei Project.
- + Offtake party, Canmax, is one of China's largest producers of lithium hydroxide and carbonate
- + Price paid to LPM is to be a function of profit from the sale of lithium hydroxide/lithium carbonate, having consideration for Lei Project mining, transportation and processing costs.
- + MoU contemplates Canmax assisting with project financing for the Lei Project development.
- + Binding agreement to be entered into upon formal grant of the Lei Project Mining Lease.

Commenting on the MOU, Executive Chairman, Dr Bin Guo, said:

"The MOU announced today with a global leader in downstream lithium processing, Canmax, serves as a significant endorsement of the resource at Lei, and a validation of the potential of our broader Bynoe Lithium Project."

We are excited to have achieved this first step in a partnership with Canmax to advance our Lei Project towards production. An initial DSO operating pathway has the potential to generate early cash flows in support of continued high-impact exploration and development. This enables pursuit of our goal of becoming a long-term supplier of spodumene concentrate to the expanding lithium battery market. As a starter operation, Lei offers numerous potential advantages, such as expected low upfront capital requirements, minimal environmental impact, and a simple approach for permitting and mine construction."

ABOUT CANMAX TECHNOLOGIES CO., LTD.

Canmax is a diverse industrial conglomerate renowned for its expertise and leadership in the lithium industry, specialising in downstream lithium processing. It is involved in various stages of the lithium supply chain, from processing raw materials to producing high-purity lithium products used in batteries and other applications.

Canmax's lithium operations include three major chemical facilities: a 75,000-tonne-per-annum lithium hydroxide plant in Yibin (a joint venture with CATL), a 60,000-tonne-per-annum lithium hydroxide plant in Meishan, and a 30,000-tonne-per-annum lithium carbonate plant in Yichun. Canmax is listed on the Shenzhen Stock Exchange under the code 300390.SZ.

KEY TERMS OF THE AGREEMENT

- + The MoU covers 50% of all DSO and spodumene concentrate produced from the Lei Project, with an option for additional product to be covered subject to availability.
- + The supply period will begin from the date of commencement of commercial production from the Lei Project and continue for a term of 3 years, with an option to extend by mutual agreement.
- + The specifications for DSO and spodumene concentrate will be agreed and set out in the full-form offtake agreement.
- + Canmax will pay LPM a price based on a percentage of Canmax's profit from the sale of lithium hydroxide/carbonate production, having consideration for Lei Project mining, transportation and processing costs.
- + The product delivered by LPM to Canmax from the Lei Project will initially be DSO in Stage 1, with potential for spodumene concentrate in Stage 2.
- + Canmax to assist with project financing arrangements for the Lei Project.
- + A binding agreement is to be entered into upon formal grant of the Lei Project Mining Lease.

MINERAL RESOURCE

The MRE summary for the Lei Deposit is outlined in Table 1. Resources have been estimated as 4.09Mt @ 1.43% Li₂O at 0.5% cutoff including Indicated and Inferred material, with measured material not classified at this time. (Refer ASX announcement of 19 December 2023)

Table 1: Mineral Resource Summary (at 0.5% Li₂O cutoff)

Resource Category	Million Tonnes	Li ₂ O (%)	Contained Li ₂ O (Kt)
Indicated	0.42	1.22	5
Inferred	3.67	1.45	53
Total	4.09	1.43	58

All Mineral Resource Estimates are inclusive of drilling undertaken throughout 2022 and 2023.

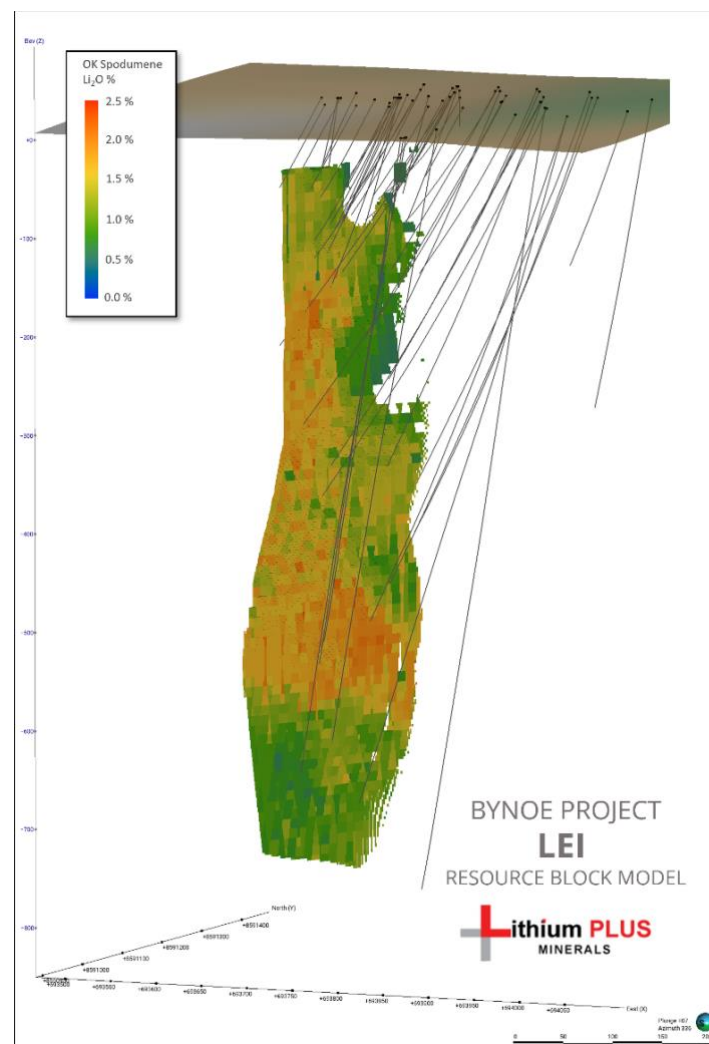


Figure 1: Lithium Grade (Li₂O%) distribution across the Lei Resource

Competent Person Statement

The information in this release that relates to Exploration Results for the Bynoe Lithium Project is based on, and fairly represents, information and supporting documentation prepared by Dr Bryce Healy, Exploration Manager of Lithium Plus Minerals Ltd. Dr Healy is a Member of the Australasian Institute of Mining and Metallurgy and he has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which has been undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Healy consents to the inclusion in this release of the matters based on the information in the form and context in which they appear.

This announcement has been authorised for release by the Board of Lithium Plus.

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About Lithium Plus Minerals

Lithium Plus Minerals Limited (ASX: LPM) is an Australian Lithium exploration company with 22 tenements in the Northern Territory grouped into the following projects:

Bynoe Lithium Project

Situated on the Cox Peninsula, 45 km south of Darwin, on the northern end of the Litchfield Pegmatite Belt, with eleven granted tenements covering 297 km². Geologically centred around the Bynoe Pegmatite Field, the tenements share a border with Core Lithium's Finniss mine development. Significant lithium mineralisation was discovered at Lei in 2017 within the north-northeast trending spodumene bearing pegmatites. Current drill ready targets are Lei, SW Cai, Cai, and Perseverance.

Wingate Lithium Project

Located 150km south of Darwin, this single tenement (EL31132) covers the Wingate Mountains Pegmatite District, the southern part of the Litchfield Pegmatite Belt. It contains the known presence of pegmatites with little exploration and minor historical production of tin. Historical gold workings (Fletcher's Gully) are present.

Arunta Lithium Projects

Barrow Creek

Located in the Northern Arunta pegmatite province, 300km north of Alice Springs. Historic tin and tantalum production and the presence of spodumene in nearby Anningie Pegmatite field suggest lithium potential.

Spotted Wonder

Located approx. 200km north-north-east of Alice Springs with proven lithium mineralisation, with amblygonite present in the Delmore Pegmatite.

Moonlight

Located within the Harts Range Pegmatite Field, approx. 200km north-east of Alice Springs. Presence of pegmatites containing elbaite, indicative of lithium enrichment.

