

12 August 2024

## ASX Announcement

## Lotus enhances commercial and technical team to accelerate Kayelekera and advance the development of Letlhakane

Lotus Resources Limited (ASX: LOT, OTCQX: LTSRF) (Lotus or the Company) is pleased to announce the restructure of its Board and senior management team. This follows the signing of the Kayelekera Mine Development Agreement with the Government of Malawi, strong momentum in advancing product marketing and financing discussions, including offtakes and potential prepayment, and the Company's strategic objective of becoming the next significant global uranium producer.

**HIGHLIGHTS**

- Strengthened management team driven by the opportunity to continue the momentum and deliver value through Kayelekera as an accelerated near term uranium production project and Letlhakane, with its large scale, high grade resource potential.
- Restructured board and senior management team to meet corporate and project delivery objectives:
  - Keith Bowes to assume the role of Technical Director where he will advise the Board and support the management team in the execution of the Kayelekera Project and the development of the Letlhakane Project.
  - Appointment of Grant Davey as Executive Director, Greg Bittar as Chief Executive Officer (CEO) and Warren King as Kayelekera Project Director – Execution.
  - Mr Davey founded Lotus through the acquisition of Kayelekera and has over 30 years of management, project development and operational experience. Mr Bittar has been with Lotus since earlier this year focussing on corporate development, principally offtake and financing discussions and investor relations and Mr King is an engineer with 25 years' experience specialising in project execution, plant refurbishment and construction, start up, commissioning and optimisation.
  - Lotus' COO Mike da Costa will continue to focus on operational readiness, contract mining preparation and mining startup for Kayelekera along with government relations, occupational Health and Safety, ESG matters and the development work at Letlhakane.
- Lotus has a cash balance of \$34.1M, exclusive of restricted cash of \$15.0m, as at 30 June 2024.

**Executive Director Grant Davey commented:** "This is a very exciting time for Lotus as we advance both of our projects. With the focus for Kayelekera being on financing, procurement, execution, and project delivery, the Board decided it was the right time to realign and build up the senior management team to focus on commercial and project execution.

The team's vision is to be the quickest and cheapest restart of a uranium mine which is possible as we have an existing processing plant and open pit which are in exceptionally good condition.

We are delighted to welcome Greg and Warren to their respective positions. Greg has become very familiar with Lotus through his role in recent months and his commercial, leadership and markets experience will position Lotus well.

Warren will assume responsibility for executing the strategy of resuming production at Kayelekera taking advantage of his experience to optimise the refurbishment and examine the possibility of bringing forward the time to production.

Importantly, Greg, Mike and Warren have the skills and expertise required to drive Kayelekera to become the next meaningful global uranium producer.

The Board thanks Keith for his fantastic work as Managing Director over the past 4 years, which has included taking the Company into the ASX 300 index and are excited to have him become the Technical Director on the Board where he will be instrumental in supporting the management team in the execution of Kayelekera and Letlhakane through his vast knowledge and expertise."

**Incoming Lotus CEO Greg Bittar commented:** "Having been with Lotus since earlier in the year, I am terrifically excited about the unique opportunity to restart Kayelekera to meet the strong uranium market during a period where there will be very few new producers coming to market and to do so in a very capital efficient manner.

We will also focus on the opportunity to expedite the development of Letlhakane in Botswana which provides a step change in scale, life and value for Lotus."

## CEO Biography

**Chief Executive Officer, Greg Bittar** – Mr Bittar is an accomplished resources and energy executive, with 25 years' experience. He brings significant experience in a variety of fields, including equity capital markets, debt advisory, project development studies as well as project evaluation having previously held a range of senior roles and positions.

Mr Bittar was most recently Chairman of Brightstar Resources and is also a Non-Executive Director of Horizon Oil Limited.

## CEO Key Terms of Employment

As required by Listing Rule 3.16.4, the Company advises that Mr Bittar's Executive Service Agreement is on the following terms:

1. A salary of \$450,000 pa inclusive of superannuation and approved expenses, with annual review;
2. Eligibility for KPI based short-term and long-term incentives on the same terms and conditions as applicable to all the Company's staff and contractors;
3. In accordance with the Company's Option Plan, an initial grant of:
  - (a) 3,000,000 zero exercise price 3 year options which vest on 12 months of continuous service by Mr Bittar and the Share price recording a closing price of not less than \$0.35 for 5 consecutive days during the term of the options; and



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(b) 3,000,000 zero exercise price 3 year options which vest on 24 months of continuous service by Mr Bittar and the Share price recording a closing price of not less than \$0.45 for 5 consecutive days during the term of the options;

4. Automatic vesting of all incentive options on a change of control of the Company;
5. 6 months termination notice; and
6. Other standard provisions to be found in an agreement of this nature.

The Company also advises that there is no change to the remuneration in relation to Grant Davey or Keith Bowes.

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 of 51.1Mlbs U<sub>3</sub>O<sub>8</sub>, and historically produced ~11Mlb of uranium between 2009 and 2014. The Company completed a positive Restart Study<sup>3</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 of 118.2Mlbs U<sub>3</sub>O<sub>8</sub>.

## LOTUS MINERAL RESOURCE INVENTORY – APRIL 2024<sup>4,5,6,7</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>8</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>9</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>
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>
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>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>10</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>3</sup> See ASX announcement dated 11 August 2022 for information on the Definitive Feasibility Study.

<sup>4</sup> See ASX announcement dated 15 February 2022 for information on the Kayelekera mineral resource estimate.

<sup>5</sup> Letlhakane Mineral Resources reported at 200ppm cut-off grade.

<sup>6</sup> See ASX announcement dated 9 June 2022 for information on the Livingstonia mineral resource estimate.

<sup>7</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>8</sup> RoM stockpile has been mined and is located near mill facility

<sup>9</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>10</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.