

STRATEGIC INVESTMENT RECEIVED FROM YAHUA AND YAHUA BECOMES A SUBSTANTIAL SHAREHOLDER

Highlights

- **Strategic investment of \$2 million received from Ya Hua International Investment and Development Co Ltd (“Yahua”).**
- **Yahua becomes a substantial shareholder, representing an interest in 10.28% in Eastern Resources.**
- **Eastern Resources remains well funded with approximately \$7.1 million in cash on hand to complete its upcoming project work programs.**

Eastern Resources Limited (“Eastern Resources” or the “Company”) is pleased to announce that the Company has received \$2 million strategic investment from Yahua, followed by a subscription agreement executed in September (“Placement”) (refer to the Company announcement dated on 27 September 2022).

The issue of 68,965,517 fully paid ordinary shares to Yahua will be undertaken without shareholder approval using the Company’s existing placement capacity under Listing Rule 7.1. The Listing Rule 7.1A capacity will not be utilised. Accordingly, no shareholder approval is required in connection with the Placement.

On completion of the Placement, Yahua will hold 10.28% of the Company’s issued shares, and becomes a substantial shareholder.

Executive Director Myles Fang commented:

“We are delighted to further strengthen our relationship with Yahua and welcome Yahua to be a cornerstone investor of Eastern Resources. These funds raised in recent placement will ensure Eastern Resources can unlock the value of its existing lithium assets as well as consider value-enhancing strategic acquisitions.”

ABOUT SICHUAN YAHUA INDUSTRIAL GROUP CO. LTD.

Yahua Group is an A-share listed company on the Shenzhen-stock exchange in China, principally engaged in the manufacture and sales of civil explosive products and lithium salt products. Ya Hua International Investment and Development Co. Ltd is a wholly subsidiary of Sichuan Yahua Industrial Group Co. Ltd (“Yahua Group”).

Yahua Group is one of China’s major lithium hydroxide and lithium carbonate producers, with a production capacity of 43,000tpa lithium carbonate, lithium hydroxide and other lithium products, and is in expansion for a further 50,000tpa of lithium hydroxide and 1,000tpa of lithium metal by 2025.

Yahua Group has a strong customer base including Tesla, BYD Auto, Zhenhua E-Chem and Sinopec. Yahua is a wholly subsidiary of Yahua Group, and is a vehicle of Yahua Group engaged in investment.

Yahua is a shareholder of Core Lithium Ltd, and is a current major offtake customer of Allkem Ltd.

The Company and Yahua has formed strategic partnership in relation to the potential acquisition and development of lithium projects. (refer to the Company announcement dated on 15 November 2021).

ABOUT EASTERN RESOURCES LIMITED

Eastern Resources Limited (ASX: EFE) is an Australia based ASX-listed, emergent lithium focused exploration and development company.

The Company has recently exercised option to acquire 100% interest in the Trigg Hill Lithium-Tantalum Project which is strategically located in the historical lithium-tin-tantalum district in the Pilbara (WA). The Company owns Yalgoo West project located in Yalgoo lithium province, and has the right to acquire up to 85% Lithium Rights in the Taylor Lookout Lithium-Tantalum Project in Kimberley region (WA).

The Company is also developing the Nowa Nowa Iron project in East Gippsland, VIC, which is in EES process.

The Company has formed a strategic partnership with Ya Hua International Investment and Development Co. Ltd, a wholly owned subsidiary of Yahua Group which is one of the largest Chinese lithium converters, to acquire and develop spodumene projects. The Company also has executed Strategic Partnership Agreement with Yongxing Special Materials Technology Co. Ltd. ("Yongxing") to acquire and develop lepidolite projects. Yongxing is one of the major Chinese lithium converters using lepidolite concentrates as feed to produce battery grade lithium carbonate. These two strategic relationships provide Eastern Resources with excellent coverage over the primary lithium sources.

INVESTOR INFORMATION

Further information, previous Company announcements and exploration updates are available at the Investors tab on the Company's website – www.easternresources.com.au

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

Eastern Resources Limited

Myles Fang
Executive Director

ASX: EFE

For enquiries on your shareholding or change of address please contact:
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