

ASX Announcement

13 February 2023

LOYALTY OPTIONS ISSUE FOR LIM SHAREHOLDERS

HIGHLIGHTS

- **One (1) Loyalty Option for every two (2) Shares held by those Shareholders registered at the Record Date of 17th February 2023**
- **Each Loyalty Option is issued at a price of A\$0.001 per Loyalty Option at an exercise price of A\$0.25**
- **Prospectus lodged with ASIC and ASX on 13th February 2023**
- **Expiry of each Loyalty Option is 5 years from date of issue**
- **Loyalty Offer opens on 22nd February 2023 and closes on 6th March 2023**

Lightning Minerals (**LIM** or the **Company**) is pleased to announce that it has lodged a prospectus (**Prospectus**), in connection with the Company's offers of:

- (a) a pro-rata non-renounceable entitlement issue of one (1) Loyalty Option for every two (2) Shares held by Shareholders registered at the Record Date of 17th February 2023 at an issue price of \$0.001 per Loyalty Option at an exercise price of A\$0.25 (**Loyalty Offer**); and
 - (b) 2,500,000 Loyalty Options to PAC Partners (or their nominees) (**Lead Manager Options**),
- (together, the **Offers**).

Based on the capital structure of the Company as at the date of this announcement, a maximum total of 24,228,585 Loyalty Options will be issued pursuant to the Loyalty Offer to raise up to \$24,228.59 (before costs). Fractional entitlements will be round down to the nearest whole number.

Further details of the Offers, including details on how to accept the offer and key risks associated with an investment in the Company, are set out in the Prospectus. Applications for Loyalty Options under the Offer may only be made by completing the Entitlement and Acceptance Form which accompanies the Prospectus. Shareholders eligible to participate in the Offer should read the Prospectus carefully and consult their professional advisers as necessary.

KEY OFFER INFORMATION

The key terms of the offer are shown in Table 1.

Table 1: Key offer information

Option Entitlement Ratio under Loyalty Offer	1:2
Issue Price of Options under the Loyalty Offer	\$0.001
Exercise Price of Options under the Offers	\$0.25
Expiry Date of Options under the Offers	5 years from the date of issue
Quotation terms	Quoted
Maximum Loyalty Options to be issued¹	24,228,585
Maximum proceeds of Loyalty Offer¹	\$24,228.59
Lead Manager Options to be issued	2,500,000

¹Assuming no additional Shares are issued, including by exercise of Options, prior to the Record Date.

TIMETABLE

The timetable for issue of Loyalty Options is set out in Table 2.

Table 2: Timetable¹

Lodgement of Prospectus with ASIC and Appendix 3B with ASX	13 February 2023
Ex date	16 February 2023
Record Date for determining Entitlements	17 February 2023
Loyalty Offer opens	22 February 2023
Closing Date for Loyalty Offer as at 5:00pm²	6 March 2023
Quotation of Loyalty Options and Lead Manager Options³	14 March 2023

¹These dates are indicative only and are subject to change.

²The Directors may extend the Closing Date for the Loyalty Offer by giving at least three (3) Business Days' notice to ASX prior to the Closing Date. Accordingly, the date the Loyalty Options are expected to commence trading on ASX may vary.

³Quotation of the Loyalty Options and Lead Manager Options is subject to the Company satisfying the Quotation requirements set out in Chapter 2 of the ASX Listing Rules. 2,500,000 Options to PAC Partners (or their nominees) as Lead Manager.

This announcement has been approved for release by the Board of Directors.
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ABOUT LIGHTNING MINERALS

Lightning Minerals is a mineral exploration company, listed on the Australian Stock Exchange (ASX:LIM) and focused on the exploration of critical minerals and lithium at its tenements across Western Australia. The Company's flagship Dundas project is located in the prolific Dundas region of Western Australia. The Company also has other projects in Western Australia, Mt Jewell, Mt Bartle and Mailman Hill prospective for base metals and critical minerals.

FORWARD LOOKING STATEMENTS

Information included in this release constitutes forward-looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward-looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "continue", and "guidance", or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the Company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation.

Forward looking statements are based on the Company and its management's good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company's business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company's business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company's control.

Although the Company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the Company does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.