



Announcement Summary

Entity name

LOYAL LITHIUM LIMITED

Announcement Type

New announcement

Date of this announcement

8/6/2023

The Proposed issue is:

☒ A placement or other type of issue

Total number of +securities proposed to be issued for a placement or other type of issue

ASX +security code	+Security description	Maximum Number of +securities to be issued
New class-code to be confirmed	Unquoted Consideration Options	4,000,000
LLI	ORDINARY FULLY PAID	16,000,000

Proposed +issue date

26/6/2023

Refer to next page for full details of the announcement

Part 1 - Entity and announcement details

1.1 Name of +Entity

LOYAL LITHIUM LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

If the +securities are being offered under a +disclosure document or +PDS and are intended to be quoted on ASX, we also apply for quotation of all of the +securities that may be issued under the +disclosure document or +PDS on the terms set out in Appendix 2A of the ASX Listing Rules (on the understanding that once the final number of +securities issued under the +disclosure document or +PDS is known, in accordance with Listing Rule 3.10.3C, we will complete and lodge with ASX an Appendix 2A online form notifying ASX of their issue and applying for their quotation).

1.2 Registered Number Type

ACN

Registration Number

644564241

1.3 ASX issuer code

LLI

1.4 The announcement is☒ New announcement**1.5 Date of this announcement**

8/6/2023

1.6 The Proposed issue is:☒ A placement or other type of issue



Part 7 - Details of proposed placement or other issue

Part 7A - Conditions

7A.1 Do any external approvals need to be obtained or other conditions satisfied before the placement or other type of issue can proceed on an unconditional basis?

☒ Yes

7A.1a Conditions

Approval/Condition	Date for determination	Is the date estimated or actual?	** Approval received/condition met?
+Security holder approval	26/6/2023	<input checked="" type="checkbox"/> Actual	No

Comments

Part 7B - Issue details

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ Existing class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ No

Details of +securities proposed to be issued

ASX +security code and description

LLI : ORDINARY FULLY PAID

Number of +securities proposed to be issued

16,000,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

☒ No



Please describe the consideration being provided for the +securities

Consideration to Youssa Pty Ltd and DG Resource Management Ltd as part consideration payable under the Acquisition Agreements. Refer to Section 7.1 of the Prospectus for a summary of the Acquisition Agreements. <https://www.asx.com.au/asx/statistics/displayAnnouncement.do?display=pdf&idsId=02672989>

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

4,800,000.000000

Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?

☒ Yes

Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?

☒ New class

Will the proposed issue of this +security include an offer of attaching +securities?

☒ No

Details of +securities proposed to be issued

ISIN Code (if Issuer is a foreign company and +securities are non CDIs)

Have you received confirmation from ASX that the terms of the proposed +securities are appropriate and equitable under listing rule 6.1?

☒ Yes

Will the entity be seeking quotation of the 'new' class of +securities on ASX?

☒ No

ASX +security code

New class-code to be confirmed

+Security description

Unquoted Consideration Options

+Security type

Options

Number of +securities proposed to be issued

4,000,000

Offer price details

Are the +securities proposed to be issued being issued for a cash consideration?

☒ No

**Please describe the consideration being provided for the +securities**

Pursuant to the Acquisition Agreements (the materials terms of which are summarised at Section 7.1), 16,000,000 Consideration Shares will be issued amongst the Vendors. Pursuant to the respective Acquisition Agreements, 14,000,000 Consideration Shares will be issued to Youssa and 2,000,000 Consideration Shares will be issued to DGRM.

Please provide an estimate of the AUD equivalent of the consideration being provided for the +securities

647,000.000000

Will all the +securities issued in this class rank equally in all respects from their issue date?☒ Yes

Options details

+Security currency	Exercise price	Expiry date
AUD - Australian Dollar	AUD 0.6000	28/3/2026

Details of the type of +security that will be issued if the option is exercised

LLI : ORDINARY FULLY PAID

Number of securities that will be issued if the option is exercised

4000000

Please provide a URL link for a document lodged with ASX setting out the material terms of the +securities proposed to be issued or provide the information by separate announcement.Refer Notice of Meeting - <https://www.asx.com.au/asx/statistics/displayAnnouncement.do?display=pdf&idsId=02669925>

Part 7C - Timetable

7C.1 Proposed +issue date

26/6/2023

Part 7D - Listing Rule requirements

7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?☒ Yes**7D.1a Date of meeting or proposed meeting to approve the issue under listing rule 7.1**

26/6/2023



7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?

☒ No

7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?

☒ No

7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?

☒ Yes

7D.4a Please enter the number and +class of the +securities subject to +voluntary escrow and the date from which they will cease to be subject to +voluntary escrow

The Shares issued under the Consideration Offer may be subject to escrow under the ASX Listing Rules. - Refer Prospectus - S2.10 - <https://www.asx.com.au/asx/statistics/displayAnnouncement.do?display=pdf&idsId=02672989>

Part 7E - Fees and expenses

7E.1 Will there be a lead manager or broker to the proposed issue?

☒ No

7E.2 Is the proposed issue to be underwritten?

☒ No

7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue

Part 7F - Further Information

7F.01 The purpose(s) for which the entity is issuing the securities

Pursuant to the Acquisition Agreements (the materials terms of which are summarised at Section 7.1 of the Prospectus),

7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?

☒ No

7F.2 Any other information the entity wishes to provide about the proposed issue

7F.3 Any on-sale of the +securities proposed to be issued within 12 months of their date of issue will comply with the secondary sale provisions in sections 707(3) and 1012C(6) of the Corporations Act by virtue of:

☒ The publication of a +disclosure document or +PDS involving the same class of securities as the +securities proposed to be issued that meets the requirements of section 708A(11) or 1012DA(11)

