

10 September 2024

## GLOBAL LITHIUM CORPORATE UPDATE

Global Lithium Resources Limited (ASX: GL1, “Global Lithium” or “the Company”) advises that it is implementing significant corporate and operational changes considering the current and likely protracted downturn in the global lithium market.

The Company’s budgets and operations have been under constant review by the Board for some time, with protection of the balance sheet and capital assets uppermost in mind.

As a result of the latest review, the Board has resolved to implement several material changes to the Company’s corporate structure and operations, including:

- An immediate pause on several components of work in relation to the Definitive Feasibility Study (“DFS”) for the Company’s 100% owned Manna Lithium Project (“Manna”);
- A material reduction in monthly expenditure on all corporate overheads and operational spending; and
- A reduction in the Board size from four to three to be implemented at the Annual General Meeting (“AGM”) in November, at least for the duration of the current lithium downturn and until there is greater certainty in lithium market forecasts.

The expenditure reductions will ensure Global Lithium remains in a strong financial position to advance Manna in the future, when more favourable market conditions prevail. In the meantime, the Company plans to undertake targeted exploration activities which it anticipates will be value accretive to all shareholders.

At a corporate level, the reduction of the Board of Directors from four to three members, ensures the retention of the necessary core skills required to oversee execution of the Company’s corporate strategy and ensure sound corporate governance. Mr Ron Mitchell, Executive Chair will move to 0.6 FTE effective 30 September 2024 ie \$243,000 pa plus statutory superannuation.

Non-executive Directors Greg Lilleyman and Hayley Lawrance have advised of their intention to resign at completion of the forthcoming AGM, proposed to be held on 28 November 2024. Executive Director Dianmin Chen will return to a Non-Executive Director role, effective immediately, further reducing corporate costs.

The Company’s Chief Financial Officer Matthew Allen has been appointed as Executive Director Finance to fill the Board vacancy created by the proposed resignations of Mr Lilleyman and Ms Lawrance, and will stand for election at the upcoming AGM.

The proposed resignations of Mr Lilleyman and Ms Lawrance at the AGM have been timed to facilitate an orderly transition to the new governance team.

**Global Lithium Chairman Ron Mitchell commented:**

*“The changes we are implementing at both corporate and operational levels are appropriate, given the macro circumstances facing the Company and the lithium industry more broadly.*

*Our focus must remain on protecting and enhancing value for our shareholders, which is why these tough decisions are now unavoidable. Nevertheless, the Company is in a robust financial position and is well placed to weather the current market conditions.*

*The proposed Board changes have been put in place to facilitate the orderly transition at the upcoming AGM and to ensure the Company can properly implement required cost reductions in the coming months. Both Greg and Hayley remain strong contributors to Global Lithium and their willingness to put the interests of shareholders at the forefront of their thinking is a testament to their commitment to the Company.*

*We will continue to update shareholders as these matters progress.”*

The Board wishes to defer the consideration of the resolutions put forward by Sincerity Development Pty Ltd (**Sincerity**) until the Company’s AGM on 28 November 2024 in order to:

- (a) reduce costs of having to convene two meetings within close proximity;
- (b) implement cost cutting measures;
- (c) ensure all corporate governance issues have been resolved; and
- (d) understand any remaining issues which Sincerity has (if any), given this announcement and the corporate and operational changes being implemented by the Board.

The Company intends to apply to the Supreme Court of Western Australia for orders on Wednesday 11 September 2024 allowing the relevant section 249D requisitions to be considered at or around the same time as the AGM (**Application**). Shareholders have a right to appear and be heard on the Application before the Supreme Court. If you wish to oppose the orders sought on the Application, you should file with the Supreme Court and serve on the Company a notice of appearance in the prescribed form, together with any affidavit on which you wish to rely at the hearing of the Application. The notice of appearance and affidavit should be served on the Company at its address for service at least 12 hours before the hearing. The address for service of the Company for the Application is Thomson Geer, Level 29, 152/158 St Georges Terrace, Perth WA 6000 (Attention: Caroline Spencer).

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## Forward Planning

Despite the significant cutbacks, scaled-back work will continue at a level on the Manna Feasibility Study, including completion of various technical testwork, modelling and other activities supporting the DFS.

Current work activities will be finalised, and further activities suspended pending future improvements in the lithium commodity markets. The Company will return to finalise the DFS when markets support the funding required to commence construction of the Manna Lithium Project, which at 51.6Mt @ 1.0% Li<sub>2</sub>O is currently positioned as the second largest lithium resource in the Kalgoorlie Lithium Province. All Company tenure will be retained in good standing.

Global Lithium has a strong balance sheet position with ~A\$25.2 million in cash and listed investments, and no debt (as at 31 August 2024).

The Company continues to evaluate multi-commodity exploration opportunities on current tenure and will consider targeted exploration that unlocks shareholder value. The Global Lithium exploration team has identified significant copper/gold exploration opportunities on the Marble Bar acreage that are currently being considered for farm-out or drilling. More details will be provided on these opportunities in coming months.

Approved for release by the Executive Chairman of Global Lithium Resources Limited.

For more information:

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## About Global Lithium

Global Lithium Resources Limited (ASX:GL1, Global Lithium) is a diversified West Australian lithium exploration and development company with multiple assets in key lithium branded jurisdictions with a primary focus on the 100% owned Manna Lithium Project in the Goldfields and the Marble Bar Lithium Project (MBLP) in the Pilbara region, Western Australia.

Global Lithium has now defined a total Indicated and Inferred Mineral Resource of 69.6Mt @ 1.0% Li<sub>2</sub>O at its Manna and MBLP Lithium projects, confirming Global Lithium as a significant global lithium player.

## Directors

Ron Mitchell	Executive Chairman
Dr Dianmin Chen	Non-Executive Director
Greg Lilleyman	Non-Executive Director
Hayley Lawrance	Non-Executive Director
Matthew Allen	Executive Director Finance

## Global Lithium – Mineral Resources

Project Name	Category	Million Tonnes (Mt)	Li <sub>2</sub> O%	Ta <sub>2</sub> O <sub>5</sub> ppm
Marble Bar	<i>Indicated</i>	3.8	0.97	53
	<i>Inferred</i>	14.2	1.01	50
	<b>Total</b>	<b>18.0</b>	<b>1.00</b>	<b>51</b>
Manna	<i>Indicated</i>	32.9	1.04	52
	<i>Inferred</i>	18.7	0.92	50
	<b>Total</b>	<b>51.6</b>	<b>1.00</b>	<b>52</b>
<b>Combined Total</b>		<b>69.6</b>	<b>1.00</b>	<b>52</b>

## Appendix A

Material Terms of Matthew Allen's Executive Services Agreement (ESA).

Item	Description
Commencement Date	Effective from 30 September 2024.
Term	No fixed term
Fixed Remuneration	A\$200,000 pa Base Salary based on 0.6 FTE plus statutory superannuation
Short Term Incentive (STI) (100% at risk)	Mr Allen is eligible to participate in the Company's STI program. Current STI participation is as follows – 678,649 performance rights vesting 30 June 2025 subject to vesting conditions.
Long-Term Incentive (LTI) (100% at risk)	Mr Allen is eligible to participate in the Company's LTI program. Current LTI participation is as follows – 77,948 Performance rights vesting 30 June 2026 subject to conditions. 529,347 Performance rights vesting 30 June 2027 subject to conditions 200,818 options exercisable by payment of \$2.15 each vesting 30 June 2026 991,828 options exercisable by payment of \$0.375 vesting 30 June 2027.
Termination	Either party may terminate the ESA with 3 months' written notice. Mr Allen may be required to serve out all or part of this period or be paid in lieu of notice at the Board's election

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**Competent Persons Statement:**

Mineral Resources

*Information on historical exploration results and Mineral Resources for the Manna Lithium Project presented in this announcement, together with JORC Table 1 information, is contained in an ASX announcement released on 12 June 2024.*

*Information on historical exploration results and Mineral Resources for the Marble Bar Lithium Project presented in this announcement is contained in an ASX announcement released on 15 December 2022*

*The Company confirms that it is not aware of any new information or data that materially affects the information in the relevant market announcements, and that the form and context in which the Competent Persons findings are presented have not been materially modified from the original announcements.*

*Where the Company refers to Mineral Resources for the Manna Lithium Project (MLP) and the Marble Bar Lithium Project in this announcement (referencing previous releases made to the ASX), it confirms that it is not aware of any new information or data that materially affects the information included in that announcement and all material assumptions and technical parameters underpinning the Mineral Resource estimate in that announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons findings are presented have not materially changed from the original announcement.*

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