

24 October 2024

Not for release to US wire services or distribution in the United States

ASX Announcement

Upsized A\$130 million Placement to fully fund the accelerated restart of Kayelekera Uranium Project

Lotus Resources Limited (ASX: LOT, OTCQX: LTSRF) (Lotus or the Company) is pleased to announce that it has successfully completed its bookbuild for a non-underwritten two tranche placement to raise A\$130 million/US\$87 million¹ (before costs) at A\$0.25 per share (Placement) to support the accelerated restart of its Kayelekera Uranium Project in Malawi.

HIGHLIGHTS

- Lotus received strong demand for the Placement from both existing shareholders as well as new global and domestic institutional investors.
- As a result of excess demand, Lotus has decided to increase the size of the Placement to A\$130 million, from the initial A\$110 million announced at launch on 22 October 2024.
- Lotus will use the funds raised from the Placement and the Share Purchase Plan (SPP) (detailed further below) for the capital investment and towards the working capital associated with the restart of production at Kayelekera, positioning Lotus as the next global uranium producer in Q3 2025.

Lotus shares are expected to resume trading on the ASX from market open today, Thursday 24 October 2024. The Placement shares issued under Tranche 1 are expected to settle on Monday, 28 October 2024 and be issued and commence trading on the ASX on a normal basis on Tuesday, 29 October 2024. New Shares issued under the Placement will rank equally with existing shares on issue.

As announced on 22 October 2024, Lotus also plans to complete a non-underwritten SPP targeting to raise A\$15 million at the same offer price per share as the Placement.

Lotus CEO Greg Bittar commented:

“This is a terrific outcome for Lotus and we are grateful for the support of our existing shareholders and the very strong interest and participation from new shareholders, including many international investors. The SPP provides existing investors the opportunity to participate on the same terms as the institutional and sophisticated investors. We look forward to advancing Kayelekera and delivering on our vision of becoming the next global uranium producer in 2025.”

¹ Assuming an AUD:USD of 0.67

PLACEMENT DETAILS

Firm commitments received under the non-underwritten placement to institutional and sophisticated investors for A\$130/US\$87 million¹ (before costs) from the issue of approximately 520 million new fully paid ordinary shares (**New Shares**) at a price of A\$0.25 per share (**Offer Price**) via two tranches (**Placement**), comprising:

- **Tranche One:** issue of approximately 267.6 million New Shares at the Offer Price to raise approximately A\$66.9/US\$44.8 million¹ (before costs) utilising the Company's existing placement capacity under ASX Listing Rule 7.1. Tranche One shares are expected to be issued on Tuesday, 29 October and are not subject to shareholder approval; and
- **Tranche Two:** subject to shareholder approval, the issue of approximately 252.4 million New Shares at the Offer Price to raise approximately A\$63.1/US\$42.3 million¹ (before costs). Approval of shareholders under ASX Listing Rule 7.1 will be sought at an Extraordinary General Meeting, expected to be held in early December 2024.

New Shares issued under the Placement will rank equally with existing fully paid ordinary shares of the Company.

The Placement is not underwritten. Further details of the Placement are set out in the Company's investor presentation lodged with the ASX on 22 October 2024. The investor presentation contains important information including key risks of investing in Lotus and foreign selling restrictions with respect to the Placement.

Macquarie Capital (Australia) Limited and Jett Capital Advisors LLC are acting as Joint Lead Managers to the Placement (the **JLMs**). Steinepreis Paganin is acting as Lotus' Australian legal adviser.

SHARE PURCHASE PLAN DETAILS

As previously announced on 22 October 2024, the Company intends to undertake a non-underwritten SPP targeting to raise up to A\$15 million.

Under the SPP, eligible existing shareholders of Lotus with a registered address in Australia or New Zealand (and are not in the United States and are not acting for the account or benefit of a person in the United States) who were holders of Lotus shares at 7:00pm (Sydney time) on Monday, 21 October 2024 (the **Record Date**) will be offered the opportunity to apply for up to A\$30,000 worth of new fully paid ordinary shares in the Company at the Offer Price of A\$0.25 per share (**SPP Shares**) without incurring brokerage fees.

The SPP Shares issued under the SPP will rank equally with existing ordinary fully paid shares of the Company.

As the SPP is not underwritten, it may raise less than A\$15 million. If the Company receives applications for more than A\$15 million, the Company may scale back applications (in whole or in part) at its absolute discretion, for example because the aggregate amount applied for under the SPP exceeds the Company's requirements. The Company may also, in its absolute discretion, raise a higher amount.

Further information in relation to the SPP, including the terms and conditions, is expected to be made available to eligible shareholders, together with the SPP Offer Booklet. Eligible existing shareholders should review the SPP terms and conditions in full before deciding whether or not to participate in the SPP.

TIMETABLE

An indicative timetable for completion of the Offer is shown in the table below:

Event	Date
Record date for eligibility to participate in SPP	21 October 2024
Trading halt	22 October 2024
Launch of Placement and Investor Presentation	22 October 2024
Trading halt lifted and announcement of completion of Capital Raising	24 October 2024
Settlement of New Shares issued under Tranche 1 of Placement	28 October 2024
Allotment of New Shares issued under Tranche 1 of Placement	29 October 2024
Dispatch of SPP Offer Documents	31 October 2024
SPP Opening date	31 October 2024
Notice of Meeting sent to shareholders	Approximately 6 November 2024
SPP Closing date	14 November 2024
Announcement of SPP Participation Results	21 November 2024
Issue of New Shares under SPP	21 November 2024
General Meeting for shareholder approval	Approximately 9 December 2024
Settlement of New Shares issued under Tranche 2 of Placement	Approximately 12 December 2024
Allotment of New Shares issued under Tranche 2 of Placement	Approximately 13 December 2024

Note: The above dates are indicative only and are subject to change. The Company reserves the right to alter the above dates at any time, including the period for the SPP offer or accepting late applications, either generally or in particular cases, at its discretion and without notice to you, subject to the ASX Listing Rules, the Corporations Act and any other applicable rules. The commencement of trading and quotation of new shares under the Placement or SPP is subject to ASX confirmation.

ADDITIONAL INFORMATION

Additional information in relation to the Placement and Lotus can be found in the investor presentation released to the ASX on 22 October 2024, which contains important information, including a breakdown of sources and uses of funds, key risks and foreign selling restrictions with respect to the Placement.

Nothing contained in this announcement constitutes investment, legal, tax or other advice. Investors should seek appropriate professional advice before making any investment decision. All amounts are in Australian dollars unless otherwise indicated.



This ASX announcement was approved and authorised by the Board of Lotus Resources Limited.

For more information contact:

GREG BITTAR

Chief Executive Officer
greg.bittar@lotusresources.com.au
T: +61 (08) 9200 3427

GRANT DAVEY

Executive Director
grant.davey@lotusresources.com.au
T: +61 (08) 9200 3427

NATHAN RYAN

Media enquiries
nathan.ryan@nwrcommunications.com.au
T: +61 420 582 887

For more information, visit www.lotusresources.com.au

NOT AN OFFER IN THE UNITED STATES

This Announcement has been prepared for publication in Australia and may not be released to US wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements under the US Securities Act and applicable US state securities laws.

FORWARD LOOKING STATEMENTS DISCLAIMER

This Announcement includes “forward-looking statements” within the meaning of securities laws of applicable jurisdictions. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are in some cases beyond Lotus Resources Limited’s control. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this announcement, including, without limitation, those regarding Lotus Resources Limited’s future expectations. Readers can identify forward-looking statements by terminology such as “aim,” “anticipate,” “assume,” “believe,” “continue,” “could,” “estimate,” “expect,” “forecast,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “risk,” “should,” “will” or “would” and other similar expressions. Risks, uncertainties and other factors may cause Lotus Resources Limited’s actual results, performance, production or achievements to differ materially from those expressed or implied by the forward-looking statements (and from past results, performance or achievements). These factors include, but are not limited to, the failure to complete and commission the mine facilities, processing plant and related infrastructure in the time frame and within estimated costs currently planned; variations in global demand and price for uranium; fluctuations in exchange rates between the U.S. Dollar and the Australian Dollar; uncertainty in the estimation of mineral resources and mineral reserves; the failure of Lotus Resources Limited’s suppliers, service providers and partners to fulfil their obligations under construction, supply and other agreements; the inherent risks and dangers of mining exploration and operations in general; environmental risks; unforeseen geological, physical or meteorological conditions, natural disasters or cyclones; changes in government regulations, policies or legislation; foreign investment risks in Malawi; breach of any of the contracts through which the Company holds property rights; defects in or challenges to the Company’s property interests; uninsured hazards; industrial disputes, labour shortages, political and other factors; the inability to obtain additional financing, if required, on commercially suitable terms; reliance on key personnel and the retention of key employees; and global and regional economic conditions. Readers are cautioned not to place undue reliance on forward-looking statements. The information concerning possible production, and financial metrics based on possible production, in this announcement is not intended to be a forecast. They are internally generated goals set by the board of directors of Lotus Resources Limited. The ability of the Company to achieve any targets will be largely determined by the Company’s ability to secure adequate funding, implement mining plans, resolve logistical issues associated with mining and enter into any necessary off-take arrangements with reputable third parties. Although Lotus Resources Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. Readers should also read the Definitive Feasibility Study announced 11 August 2024 in conjunction with this announcement. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, Lotus Resources Limited does not undertake any obligations to publicly release any updates or revisions to any forward-looking statements contained in this material, whether as a result of any change in Lotus Resources Limited’s expectations in relation to them, or any change in events, conditions or circumstances on which any statement is based.

For personal use only

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 as set out in the table below, and historically produced ~11Mlb of uranium between 2009 and 2014. The Company completed a positive Restart Study¹ which has determined an Ore Reserve of 23Mlbs U₃O₈ and demonstrated that Kayelekera can support a viable operation. The Letlhakane Project hosts a current resource also set out in the table below.

LOTUS MINERAL RESOURCE INVENTORY – APRIL 2024^{2,3,4,5}

Project	Category	Mt	Grade (U ₃ O ₈ ppm)	U ₃ O ₈ (M kg)	U ₃ O ₈ (M lbs)
Kayelekera	Measured	0.9	830	0.7	1.6
Kayelekera	Measured – RoM Stockpile ⁶	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 ⁷	2.24	290	0.7	1.5
Kayelekera	Total – Kayelekera	42.5	500	21.1	46.3
Livingstonia	Inferred	6.9	320	2.2	4.8
Livingstonia	Total – Livingstonia	6.9	320	2.2	4.8
Kayelekera Project Total		49.4	472	23.3	51.1
Letlhakane	Indicated	46.1	339	15.6	34.5
Letlhakane	Inferred	109.2	348	38.0	83.8
Letlhakane	Total – Letlhakane	155.3	345	53.6	118.2
Total	All Uranium Mineral Resources	204.7	377	76.8	169.3

LOTUS ORE RESERVE INVENTORY – JULY 2022⁸

Project	Category	Mt	Grade (U ₃ O ₈ ppm)	U ₃ O ₈ (M kg)	U ₃ O ₈ (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
Kayelekera	Total	15.9	660	10.4	23.0

¹ See ASX announcement dated 11 August 2022 for information on the Definitive Feasibility Study.

² See ASX announcement dated 15 February 2022 for information on the Kayelekera mineral resource estimate.

³ See ASX announcement dated 9 May 2024 for information on the Letlhakane mineral resource estimate.

⁴ See ASX announcement dated 9 June 2022 for information on the Livingstonia mineral resource estimate.

⁵ 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, 9 May 2024 and 9 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.

⁶ RoM stockpile has been mined and is located near mill facility.

⁷ 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.

⁸ See ASX announcement dated 11 August 2022 for information on the Kayelekera ore reserve estimate. 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. Except for information in the Accelerated Restart Plan announced on the ASX on 8 October 2024, 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.