

10 December 2024

Lady Grey Farm-in Agreement Extension

Lanthanein Resources Limited (ASX: LNR) (“Lanthanein” or the “Company”) advises that it has entered into a variation deed to the Lady Grey Project farm-in agreement first announced on 6th December 2023.

The Company and its wholly owned subsidiary, West Kidman Pty Ltd (ACN 672 896 865), have agreed with Gondwana Resources Ltd (“Gondwana”) and the Option Vendors (defined below) to extend the date by which it may earn a 50% legal and beneficial interest in tenement E77/2143 by six months by paying Gondwana consideration of \$200,000 cash.

This amount will be included as exploration expenditure incurred by the Company during the 19th month and the 30th months after the earn in start date within the Stage 1 Earn In Period.

The extension was required due to delays with approvals from the Department of Energy, Mines, Industry Regulation and Safety (DEMIRS) with the grant of Programmes of Work for the Company’s planned drilling programmes. The extension will allow the Company sufficient time to finalise the drilling and receive assays to assess the prospectivity of the project and to decide whether the Company would proceed with the next stage of the farm-in agreement.

In addition, there were significant delays with scheduling heritage surveys of the areas proposed for drilling.

Key Terms of the Farm-in Agreement

As announced on 6th December 2023, the Company entered into a binding farm-in agreement (“Agreement”) to acquire the right to earn up to a 70% legal and beneficial interest in EL77/2143 (and any other tenement that may be acquired/applied for by the parties) (“Tenement”) from Gondwana. The key terms of the staged earn in are set out below.

- **Stage 1 Earn-In:** The Company may earn a 50% interest in the Tenement by:

- Expending, within a maximum period of 42 months after the date of which the initial payment of \$1,500,000 is made to Gondwana (“Earn In Start Date”), not less than \$7,000,000 on exploration (“Stage 1 Earn In Period”), including:
 - Not less than \$1,000,000 within the 18 months of the Earn In Start Date; and
 - Not less than a cumulative \$3,500,000 within the first 30 months after the Earn In Start Date; and
 - Paying to Gondwana:
 - First milestone payment of \$500,000 cash within three business days of the date that is 18 months from the Earn In Start Date;
 - Second milestone payment of \$500,000 cash within three business days of the date that is 30 months from the Earn In Start Date,

(together, the “Stage 1 Commitments”).
 - In the event the Company withdraws from the Agreement prior to the first anniversary of the Earn In Start Date (which the Company may do, in its discretion) paying to Gondwana a cash payment of \$1,000,000 less any exploration expenditure up to and including the date of withdrawal.
 - **Stage 2 Earn-In:** the Company may earn a further 20% interest (for a total 70% interest) in the Tenement by:
 - Sole funding exploration expenditure on the Tenement, the final feasibility study, the development proposal and any other work required until a decision to mine is made, within 7.5 years of the Earn In Start Date; and
 - Paying to Gondwana: Third milestone payment of \$2,500,000 cash upon electing to proceed with the Stage 2 Earn-In and execution of the transfer of a 50% legal interest in the Tenement to the Company,

(together, the “Stage 2 Commitments”).
 - **Election to proceed**
- At any time during the Stage 1 Earn In Period, the Company may give Gondwana written notice:
- that it has completed its Stage 1 Commitments; and

- stating whether or not it elects to proceed with the Stage 2 Earn In, (“First Completion Notice”).

Within 7 days from the date on which the First Completion Notice is received by Gondwana, a 50% legal and beneficial interest in the Tenement will be transferred to the Company.

If the Company has elected not to proceed with the Stage 2 Earn In, the parties will execute an exploration joint venture agreement.

- **Final Completion Notice**

At any time during the period commencing in the Stage 2 Start Date and ending on the earlier of:

- 7.5 years after the Earn In Start Date;
- termination of the Agreement;
- if no final completion notice is given, the date of execution of the exploration joint venture; or
- upon completion of the Earn In, the transfer of a 20% legal and beneficial interest in the Tenement, and the execution of the mining joint venture agreement and, if any, an exploration joint venture agreement for the remaining tenement area,

(the “Stage 2 Earn In Period”), but not earlier than:

- 30 days after the final feasibility study, development proposal and all material information supporting a decision to mine in respect of a designated mining area have been presented to Gondwana; and
- a reasonable opportunity having been afforded Gondwana to consider the final feasibility study and development proposal,

the Company may give Gondwana written notice stating that it has completed the Stage 2 Commitments (“Final Completion Notice”).

Within 14 days after the Final Completion Notice is received by Gondwana, a 20% legal and beneficial interest in the Tenement will be transferred to the Company.

If, by the expiry of the Stage 2 Earn In Period, the Company has not delivered a Final Completion Notice to Gondwana, the parties will execute an exploration joint venture agreement.

Variation to Vendor Option Agreement

As announced on 6 December 2023, Syndicate Minerals Pty Ltd (“Syndicate”) entered into a term sheet with Gondwana whereby it was granted an effective option to negotiate and introduce, on Gondwana’s behalf, the farm-in agreement in relation to the Tenement (“Gondwana Option”). Syndicate holds this Gondwana Option in its capacity as trustee for Jack Capital WA Pty Ltd, Mark Jonathan Sandford, David James Wall, Ashburton Resources Pty Ltd and Sunrise Australia Pte Ltd (“Option Vendors”).

The Company has agreed with the Option Vendors to extend the date by which the following consideration to be paid for assigning the Gondwana Option to the Company is payable to the Option Vendors by six months, as follows:

- if the Company has not withdrawn from the Agreement, 18 months from the execution date of the Agreement (“Commencement Date”), the Company will issue the Option Vendors 100,000,000 fully paid ordinary shares in the capital of Lanthanein (**Shares**);
- if the Company has not withdrawn from the Agreement, 30 months from the Commencement Date, the Company will issue the Option Vendors 166,666,666 Shares; and
- if the Company has not withdrawn from the Agreement, 42 months from the Commencement Date, the Company will issue the Option Vendors 166,666,666 Shares.

All other material terms of the Agreement remain in full force and effect.

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

For additional information please visit our website at www.lanthanein.com

LANTHANEIN RESOURCES LTD

Forward Looking Statements

This announcement includes forward-looking statements that are only predictions and are subject to known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of Lanthanein, the directors and the Company’s management. Such forward-looking statements are not guarantees of future performance.

Examples of forward-looking statements used in this announcement include use of the words ‘may’, ‘could’, ‘believes’, ‘estimates’, ‘targets’, ‘expects’, or ‘intends’ and other similar words that involve risks and uncertainties. These statements are based on an assessment of present

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This release includes exploration results the Company has previously reported 22 & 29 April, 15 May & 16 July 2024. The Company confirms that it is not aware of any new information or data that materially affects the information included in previous announcements (as may be cross referenced in the body of this announcement) and that all material assumptions and technical parameters underpinning the exploration results continue to apply and have not materially changed.

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