

# MARKET ANNOUNCEMENT

## Completion of Drilling Programme at Corella Graphite Prospect

### SUMMARY

- Maiden drilling programme completed at the Corella Tenement on the Burke Graphite Project in North Central Queensland, comprising 16 RC holes totalling ~1,600 metres.
- Extensive surface rock chip sampling programme also completed.
- Exploration programme builds upon previous EM surveys and surface sampling where graphite mineralisation was identified - objective is to delineate a maiden JORC Mineral Resource for Corella, to add to the existing significant graphite resource inventory at the Burke Tenement.
- Assay results are pending, to be followed by maiden mineral resource estimate.

Lithium Energy Limited (ASX:LEL) (**Lithium Energy** or the **Company**) is pleased to confirm the completion of its maiden drilling programme at the highly prospective Corella Graphite Prospect (on the EPM 25696 tenement) (**Corella**), which is part of the Company's 100%-owned Burke Graphite Project located in Queensland, Australia (**Burke Project**).<sup>1</sup>

DDH1 Drilling, who recently completed the infill drilling programme<sup>2</sup> at the Burke Tenement (EPM 25443), has completed 16 Reverse Circulation (**RC**) holes totalling 1,594 metres at Corella.

In addition to the maiden drilling programme, an extensive rock chip sampling programme was conducted across Corella at the same time to build a better resource model for graphite mineralisation within the tenement. This current exploration programme builds upon the previous surface sampling<sup>3</sup> and Electro Magnetic (**EM**) surveys<sup>4</sup> that indicated multiple occurrences of high grade graphite in the north-east corner of the Corella Tenement.

The RC drilling and surface rock-chip samples have been submitted for assaying, with the results pending receipt and review/analysis by the Company. Lithium Energy has also engaged a consultant geologist (who recently completed a JORC Mineral Resource upgrade of the Burke Deposit<sup>5</sup>) to delineate a maiden JORC Inferred Mineral Resource estimate for Corella.

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- 1 Refer also LEL ASX Announcement dated 28 March 2023: Maiden Resource Drilling Programme Underway at Corella Graphite Prospect
  - 2 Refer LEL ASX Announcements dated 22 February 2023: Update – Infill Drilling Results at Burke Graphite Deposit and 16 February 2023: Significant High Grade Graphite Intercepts Continue at Burke Graphite Deposit
  - 3 Refer Strike Resources Limited (ASX:SRK) ASX announcement dated 21 April 2017: Jumbo Flake Graphite Confirmed at Burke Graphite Project, Queensland
  - 4 Refer SRK ASX Announcement dated 26 June 2018: Burke Graphite Project – New Target Area Identified from Ground Electro-Magnetic Surveys



The delineation of a maiden JORC inferred Resource at Corella is considered to be important in the overall development strategy of Lithium Energy’s Burke Project. The Corella Tenement is located only 150km from the Burke Tenement, where the recently completed infill drilling programme<sup>2</sup> delivered a significant increase in the size and confidence of the **Burke Deposit**, with an updated JORC Mineral Resource Estimate as follows<sup>5</sup>:

- **Total Mineral Resource of 9.1Mt at 14.4% Total Graphitic Carbon (TGC) for a total of 1.3Mt contained graphite** (at a 5% TGC cut-off grade), comprising:
  - **Indicated Mineral Resource of 4.5Mt at 14.7% TGC for 670kt of contained graphite**; and
  - **Inferred Mineral Resource of 4.5Mt at 14.2% TGC for 640kt of contained graphite**.
- Within the mineralisation envelope there is included a higher grade **Total Mineral Resource of 7.1Mt at 16.2% TGC for 1.1Mt of contained graphite** (at a 10% TGC cut-off grade).<sup>6</sup>

**Table 1 – Updated Mineral Resource Estimate for Burke Tenement (the Burke Deposit)**

Mineral Resource Category	Weathering State	Resource (Mt)	Total Graphitic Carbon (TGC) (%)	Contained Graphite (kt)
Indicated Mineral Resource	Weathered	0.2	12.5	30
	Primary	4.3	14.8	640
	<b>Sub-total</b>	<b>4.5</b>	<b>14.7</b>	<b>670</b>
Inferred Mineral Resource	Weathered	0.1	8.1	10
	Primary	4.4	14.4	630
	<b>Sub-total</b>	<b>4.5</b>	<b>14.2</b>	<b>640</b>
Total Indicated and Inferred Mineral Resource	Weathered	0.3	11.1	40
	Primary	8.7	14.6	1,270
	<b>Total</b>	<b>9.1</b>	<b>14.4</b>	<b>1,310</b>

*Notes:*

- Mineral Resource estimates are constrained by the mineralisation solids and reported above a cut-off grade of 5% TGC; Mineral Resources reported on a dry in-situ basis; Totals may differ due to rounding.
- Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location, shape and continuity of the occurrence and on the available sampling results.
- For further details, refer to LEL ASX Announcement dated 5 April 2023 entitled “Burke Graphite Mineral Resource Upgrade Delivers Significant Increases in Size and Confidence”.

Should a significant maiden JORC Mineral Resource of graphite be defined at Corella, it offers the potential to add to the overall graphite inventory of the Burke Project and thus provide the Company with expanded development options that could include graphite sourced from Corella.

**Burke Graphite Project Background**

The Burke Graphite Project comprises EPM 25443 (the **Burke Tenement**) and EPM 25696 (the **Corella Tenement**) being two granted Exploration Permits for Minerals (**EPM**) totalling approximately 26 square kilometres located in the Cloncurry region in North Central Queensland, where there is access to well-developed transport infrastructure to an airport at Mt Isa (~122km) and a port in Townsville (~783km) (refer Figure 1).

The Burke Tenement is located 125km north of Cloncurry adjacent to the Mt Dromedary Graphite Project held by Novonix Limited (ASX: NVX). The Corella Tenement is located 40km west of Cloncurry near the Flinders Highway that links Mt Isa to Townsville.

<sup>5</sup> Refer LEL ASX Announcement dated 5 April 2023: Burke Graphite Mineral Resource Upgrade Delivers Significant Increases in Size and Confidence  
<sup>6</sup> Refer Mineral Resource estimates at different %TGC cut-off grades reported in Table 2 of LEL ASX Announcement dated 5 April 2023: Burke Graphite Mineral Resource Upgrade Delivers Significant Increases in Size and Confidence

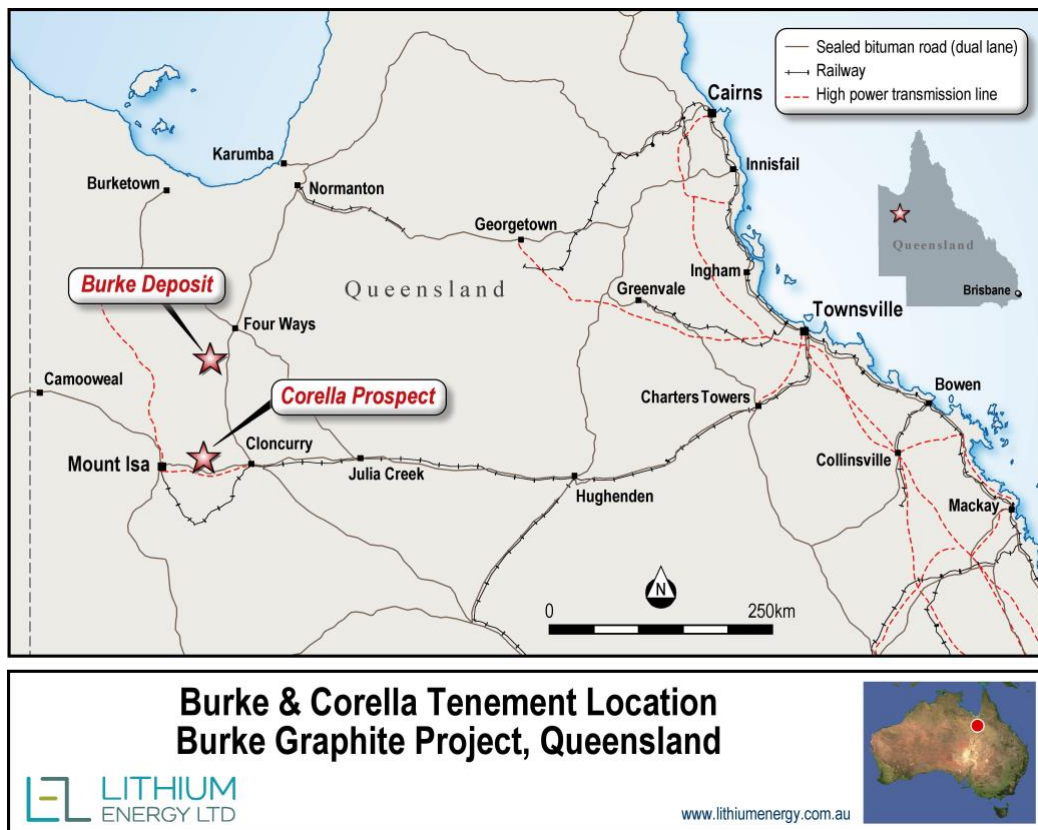


Figure 1: Burke Graphite Project Tenement Locations in North Central Queensland

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**ABOUT LITHIUM ENERGY LIMITED (ASX:LEL)**

Lithium Energy Limited is an ASX listed battery minerals company which is developing its flagship Solaroz Lithium Brine Project in Argentina and the Burke Graphite Project in Queensland. The Solaroz Lithium Project (LEL:90%) comprises 12,000 hectares of highly prospective lithium mineral concessions located strategically within the Salar de Olaroz Basin in South America’s “Lithium Triangle” in north-west Argentina. The Solaroz Lithium Project is directly adjacent to or principally surrounded by mineral concessions being developed into production by Allkem Limited (ASX/TSX:AKE) and Lithium Americas Corporation (TSX/NYSE:LAC). The Burke Graphite Project (LEL:100%) contains a high grade graphite deposit and presents an opportunity to participate in the anticipated growth in demand for graphite and graphite related products.

**JORC CODE (2012) COMPETENT PERSON STATEMENTS**

- (a) The information in this document that relates to Mineral Resources in relation to the Burke Tenement (EPM 25443) within the Burke Graphite Project is extracted from the following ASX market announcement made by Lithium Energy dated:
  - 5 April 2023 entitled “Burke Graphite Mineral Resource Upgrade Delivers Significant Increases in Size and Confidence”.

The information in the original announcement is based on, and fairly represents, information and supporting documentation prepared and compiled by Mr Shaun Searle, who is a Member of the Australasian Institute of Geoscientists (AIG). Mr Searle is an employee of Ashmore Advisory Pty Ltd, an independent consultant to Lithium Energy Limited. Mr Searle has the requisite experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code (2012)). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement (referred to above). The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement (referred to above).

The Competent Person named below was previously engaged by Strike Resources Limited (ASX:SRK) (Strike), the former parent company of Lithium Energy Limited (and subsidiaries) that hold the interests in the Burke Graphite Project. Lithium Energy Limited was spun out of Strike into a new ASX listing in May 2021.

- (b) The information in this document that relates to Exploration Results in relation to the Corella Tenement (EPM 25696) within the Burke Graphite Project is extracted from the following ASX market announcements released by:
- (i) Strike dated:
- 21 April 2017 entitled "Jumbo Flake Graphite Confirmed at Burke Graphite Project, Queensland".
  - 26 June 2018 entitled "Burke Graphite Project – New Target Area Identified from Ground Electro-Magnetic Surveys".

The information in the original announcements is based on, and fairly represents, information and supporting documentation prepared and compiled by Mr Peter Smith (BSc (Geophysics) (Sydney) AIG ASEG). Mr Smith is a Member of AIG, a consultant to Strike and also a Director of Lithium Energy (since 18 March 2021). Mr Smith has the requisite experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code (2012). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements (referred to above). The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements (referred to above).

## FORWARD LOOKING STATEMENTS

This document contains "forward-looking statements" and "forward-looking information", including statements and forecasts which include without limitation, expectations regarding future performance, costs, production levels or rates, mineral reserves and resources, the financial position of Lithium Energy, industry growth and other trend projections. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "is expecting", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes", or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might", or "will" be taken, occur or be achieved. Such information is based on assumptions and judgements of management regarding future events and results. The purpose of forward-looking information is to provide the audience with information about management's expectations and plans. Readers are cautioned that forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Lithium Energy and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include, among others, changes in market conditions, future prices of minerals/commodities, the actual results of current production, development and/or exploration activities, changes in project parameters as plans continue to be refined, variations in grade or recovery rates, plant and/or equipment failure and the possibility of cost overruns.

Forward-looking information and statements are based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date such statements are made, but which may prove to be incorrect. Lithium Energy believes that the assumptions and expectations reflected in such forward-looking statements and information are reasonable. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Lithium Energy does not undertake to update any forward-looking information or statements, except in accordance with applicable securities laws.