ASX ANNOUNCEMENT

25 June 2025

Queensland Government Exploration Funding for Bajool Prospect, Capricorn Gold-Copper Belt Project

SUMMARY

- Approval received for $189,200 Queensland Government Collaborative Exploration Initiative (**CEI**) funding for the Bajool Prospect.
- Bajool Prospect is targeted as a Porphyry Copper/Molybdenum system within the Capricorn Gold-Copper Belt Project.
- CEI approved program involves Electrical 3D Geophysical Surveys over the Bajool Intrusive Complex (**BIC**).
- Re-assaying of historical drill core confirms prospectivity at Bajool, with up to 3.22% Copper, 252ppm Molybdenum. Lithium Energy is reviewing assay results of historical drill core.
- Completion of tranche 1 (51%) acquisition of the Capricorn Project tenements is pending execution of deeds of assignment of access agreements with native title holders.

Lithium Energy Limited (ASX:LEL) (**Lithium Energy** or **Company**) is pleased to announce the approval of $189,200 funding under the Queensland Government's Collaborative Exploration Initiative (**CEI**). The CEI funds will meet a portion of the costs of a 3D Direct Current Induced Polarisation (**DCIP**) survey and Magnetotelluric (**MT**) survey to be undertaken at the Bajool Prospect within the Capricorn Gold-Copper Belt Project in Central Queensland (**Capricorn Project**).

The Bajool Prospect is identified by the Company as a priority target for a substantial Porphyry Copper/Molybdenum system. The DCIP and MT surveys (which will commence once relevant land access and other permits are received) will be used to allow accurate modelling of the targeted porphyry systems, leading to improved targeting of subsequent drilling programs.

Lithium Energy Executive Chairman, William Johnson:

> *The Bajool Prospect is one of the high priority targets for porphyry systems within Lithium Energy's highly prospective and extensive Capricorn Gold-Copper Belt Project. Access to CEI funding is a competitive process and the successful award of funds to undertake geophysical surveys reflects positively on the Company's strategy for advancing exploration at Bajool.*

Bajool Porphyry Cu - Mo Prospect

The Bajool porphyry copper (**Cu**) – molybdenum (**Mo**) Prospect is hosted by the Bajool Intrusive Complex (**BIC**). The BIC is predominantly a quartz diorite intrusion, interpreted on the airborne magnetic map as generally a magnetic low, due to magnetite destruction (refer Figure 1). Limonite Hill within the BIC outcrops as an isolated hill, with limonite (a weathered iron mineral derived from disseminated sulphides) surrounded by an extensive alluvial plain. Historical exploration between 1969 and 1993 by Kennecott, the Esso-Geopeko joint venture and CRA identified zones of porphyry style quartz vein stock work, phyllic altered quartz diorite at Limonite Hill, together with silicified pipes at Ultimo located approximately 1km south-east of Limonite Hill.

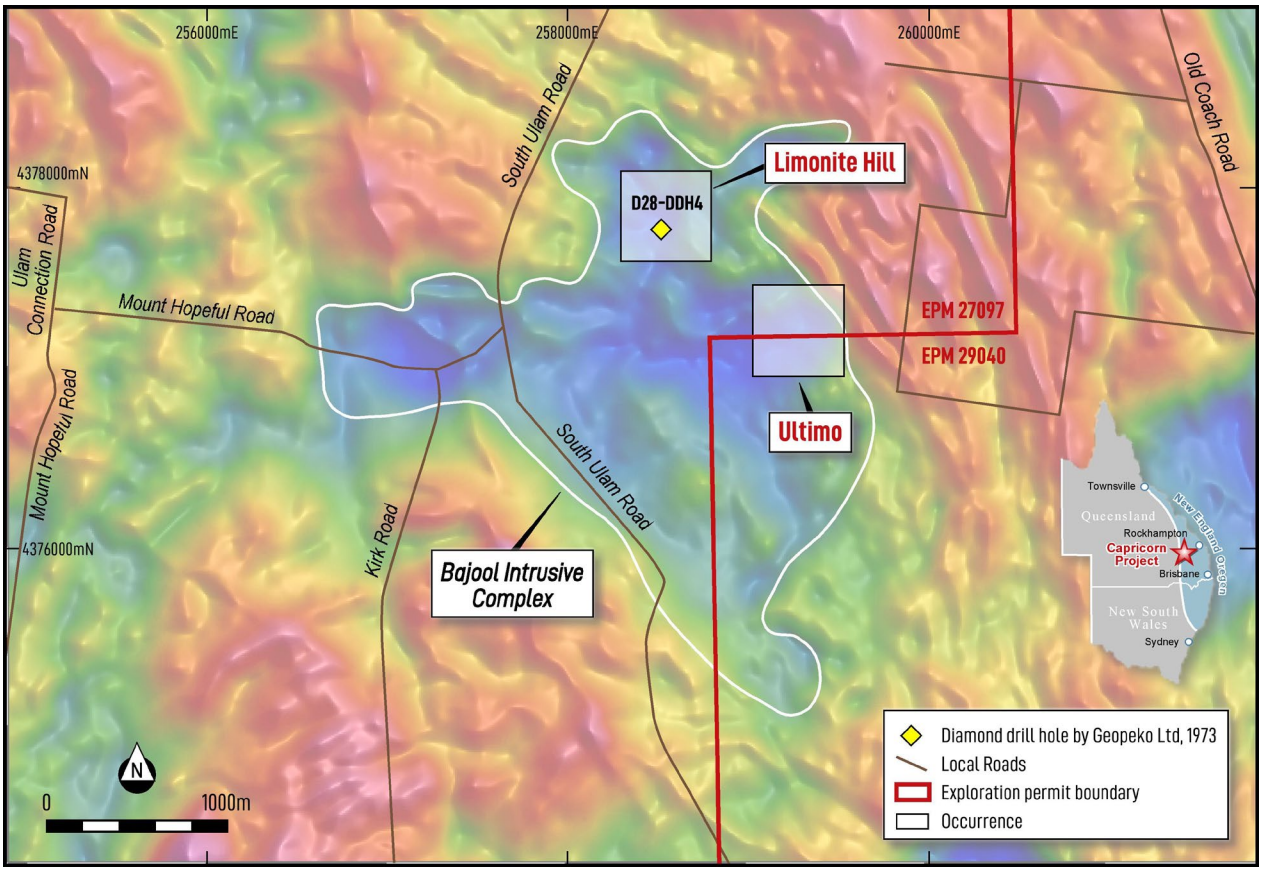

Figure 1. Location of the Bajool Intrusive Complex (BIC) defined by airborne magnetic low, the Limonite Hill and Ultimo porphyry Cu-Mo occurrences and diamond drill hole D28-DDH4 (Base layer: Airborne RTP magnetics)

Limonite Hill Cu and Mo Assays

Lithium Energy's initial review of historic data has identified that earlier exploration was generally limited to very shallow depths and focused on isolated outcrops within an extensive alluvial plain. The Company's view is that the porphyry mineralisation system has not been optimally tested with the mineralised zones remaining open laterally and at depth.

Historic diamond drilling exploration at the Limonite Hill outcrop by Geopeko Limited in 1973 from drill hole D28-DDH4 (identified in Figure 1) was re-sampled, assayed and logged after being located and retrieved from the Queensland Department of Natural and Mines Resources Exploration Data Centre in Zillmere, Brisbane.

Occurrence within Bajool Prospect	Hole ID	National Grid	Easting#	Northing#	RL (m)	Dip (°)	Azimuth (Magnetic)	EoH Depth* (m)
Limonite Hill	D28-DDH4	MGA94 Zone 56	258523	7377774	31	-50	281	300.4

\# Estimated from plans in historical statutory exploration report CR004994 held by the Queensland Geological Survey

* Depth is measured along the length of the hole from the surface

Hole D28-DDH4 returned an intercept of:

> 16m at **0.57% Cu** and **441 ppm Mo** from 156m drill depth (using a 100 ppm Mo cut-off),
> including 2m at **3.22% Cu**, **252ppm Mo** and **17.7ppm silver** (**Ag**) from 160m drill depth

The core tray in Figure 3a highlights the 2m sample interval that returned 3.22% Cu and core specimens of the quartz veining that hosts the copper and molybdenum bearing sulphide mineralisation are shown in Figures 3b and 3c.

Assays for key elements for all samples from Hole D28-DDH4 are outlined in Table 1 (Analytes of interest for all core samples taken from drill hole D28-DDH4, Limonite Hill) in Annexure A.

Lithology, alteration and sulphide logging of the same core was completed by Global Ore Discovery geological consultants (Brisbane) and is summarised in the cross-section in Figure 2.

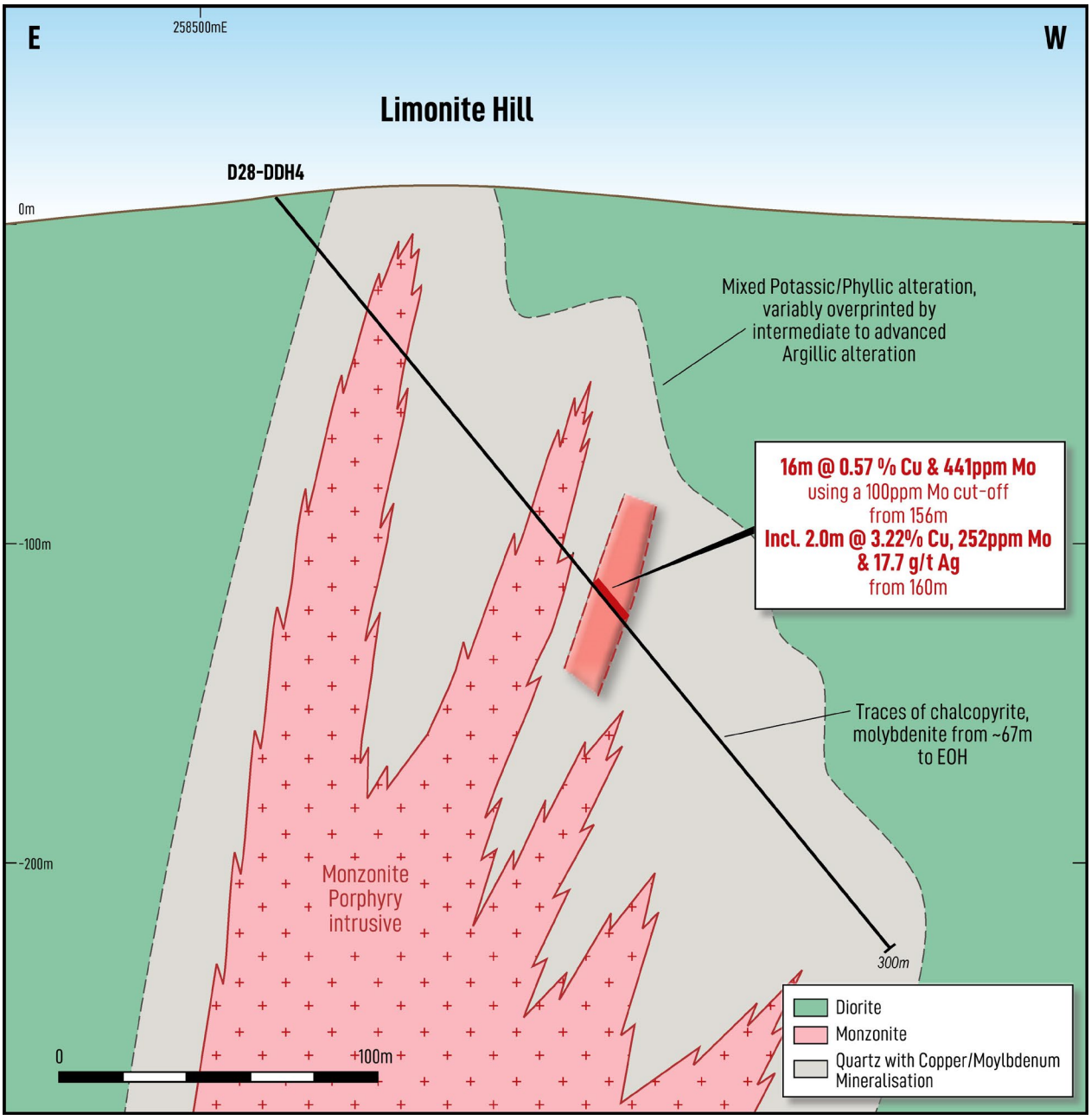

Figure 2. Schematic cross-section geology based on the logging of drill hole D28-DDH4 (Facing south, section on 7377775mN line, GDA94 MGA zone 56)

Lithium Energy's geochemical characterisation of the drillcore assays (Table 1, Annexure A) has verified the Cu and Mo anomalies at Limonite Hill and provided an extensive range of elements not previously analysed. This extended geochemical data set will be used to characterise the porphyry mineralising systems and contribute to the interpretation of the lithologies and alteration and aid vectoring towards further, significant Cu-Mo mineralisation finds at both Limonite Hill and within the greater Bajool Intrusive Complex.

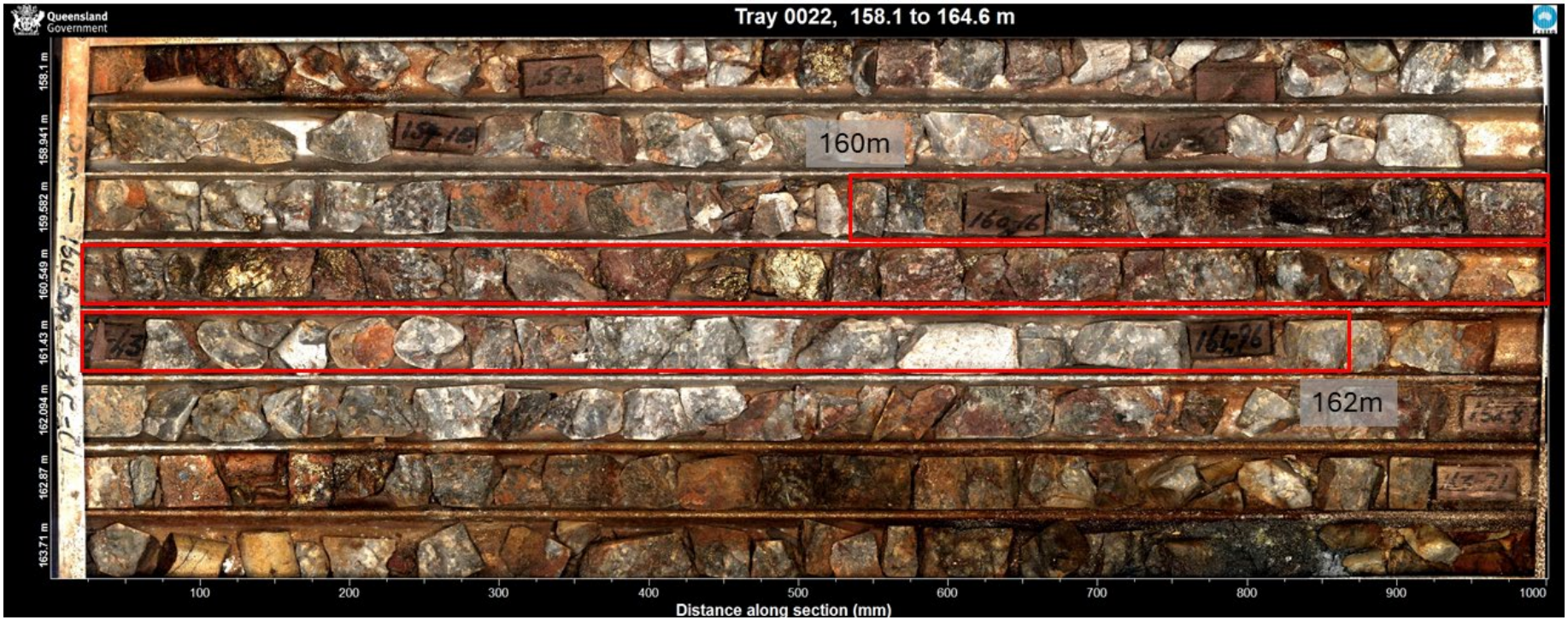

Figure 3a. Drill Core photos from the Queensland Mines Department Core Library, Zillmere, D28-DDH4 Tray 22, from 158.1-164.6m

Figure 3b. Photograph: approximately 10cm length of broken core displaying the Cu-Mo hosting sulphide minerals within a quartz vein. Specimen from 160.16m drill depth in hole D28-DDH4

Figure 3c. Photograph: approximately 5cm length of broken core displaying predominantly sulphide minerals. Specimen from 160.6m drill depth in hole D28-DDH4

Queensland Government Exploration Funding for Geophysical Surveys

Lithium Energy has successfully received approval for $189,200 (inclusive of GST) funding under the Queensland Government's Collaborative Exploration Initiative (CEI) to undertake geophysical surveys in respect of the Capricorn Project.

Lithium Energy will fast track its exploration of the Bajool Prospect by conducting a joint 3D Direct Current Induced Polarisation (DCIP) survey and Magnetotelluric (MT) survey to deeper depths than previous drilling and Induced Polarisation (**IP**) surveys undertaken within the Bajool Intrusive Complex (BIC). The depth and high resolution of the proposed modern geophysical surveys are expected to allow accurate modelling of the porphyry systems, leading to improved targeting for subsequent drilling.

The award of CEI funding is a competitive process, with approvals only made for mineral exploration projects that meet the criteria of being technically sound, innovative and which address vital exploration knowledge gaps. The CEI funds will be paid to Lithium Energy following completion of the approved work program at the Bajool Prospect within EPM 27097 (Mt Morgan East) and delivery of a final report and project data to the Queensland Government.

Exploration Work Programs

The initial forward exploration work program over the BIC area (including as approved under the CEI grant) will comprise:

- Engagement with land holders and other stakeholders and the securing of access agreements;
- Undertaking DCIP surveys over approximately 80 line kilometres and 550 - 600 stations;
- Undertaking MT surveys across approximately 170 sites (each with a survey area of 2 x 2km with 200 x 200m station spacings);
- Processing, (2D and 3D) modelling and reporting results from the geophysical surveys; and
- Design of an initial drill program to test for further porphyry Cu-Mo mineralisation.

Lithium Energy is also continuing the interpretation of an existing and extensive historical database of geological information relating to the Capricorn Project area spanning a period of nearly 60 years, including the analysis of 7 historical drill cores (which includes Hole D28-DDH4 within the Bajool Prospect) retained by the Queensland Department of Natural Resources and Mines (at the Exploration Data Centre) with respect to various historic drill programs conducted by third parties over sections of the Capricorn Gold-Copper Belt area.

Update on Acquisition of Capricorn Project

On 14 March 2025, Lithium Energy announced that it had entered into binding agreements under which it had agreed to acquire tenements covering an area of 1,795 km^2 of contiguous granted and application stage exploration permits in central Queensland adjacent to and surrounding this historic Mt Morgan Gold Mine (the Capricorn Project), and associated mining information, in two tranches:[1]

(a) Tranche 1 – 51% interest in the Capricorn Project tenements, after completion of conditions under the asset sale agreements; and

(b) Tranche 2 – balance of 49% interest in the Capricorn Project tenements, within 21 months after completion of Tranche 1.

Tranche 1 completion is pending receipt of consents and or the execution of a number of deeds of assignment vis a vis agreements with native title holders.

1 Refer LEL ASX Announcement dated 14 March 2025: Tenement Consolidation Creates Significant New District-Scale Gold-Copper Belt Project in Central Queensland

Background to Capricorn Gold-Copper Belt Project

The Capricorn Gold-Copper Belt Project tenements surround the historically prolific Mt Morgan gold mine in Queensland **(Mt Morgan Mine**) which operated from 1883 until 1981, producing ~50 Mt of ore at 4.99 g/t gold (**Au**) and 0.72% Cu, containing **7.65 million ounces of Au**, **1.2 million ounces of Ag and 360kt of Cu**.[2, 3, 4] The Mt Morgan Mine itself is not included in the Capricorn Project, though one focus of exploration activity for gold will be to test for repeats of Mt Morgan style gold mineralisation along strike within the Capricorn Project area.

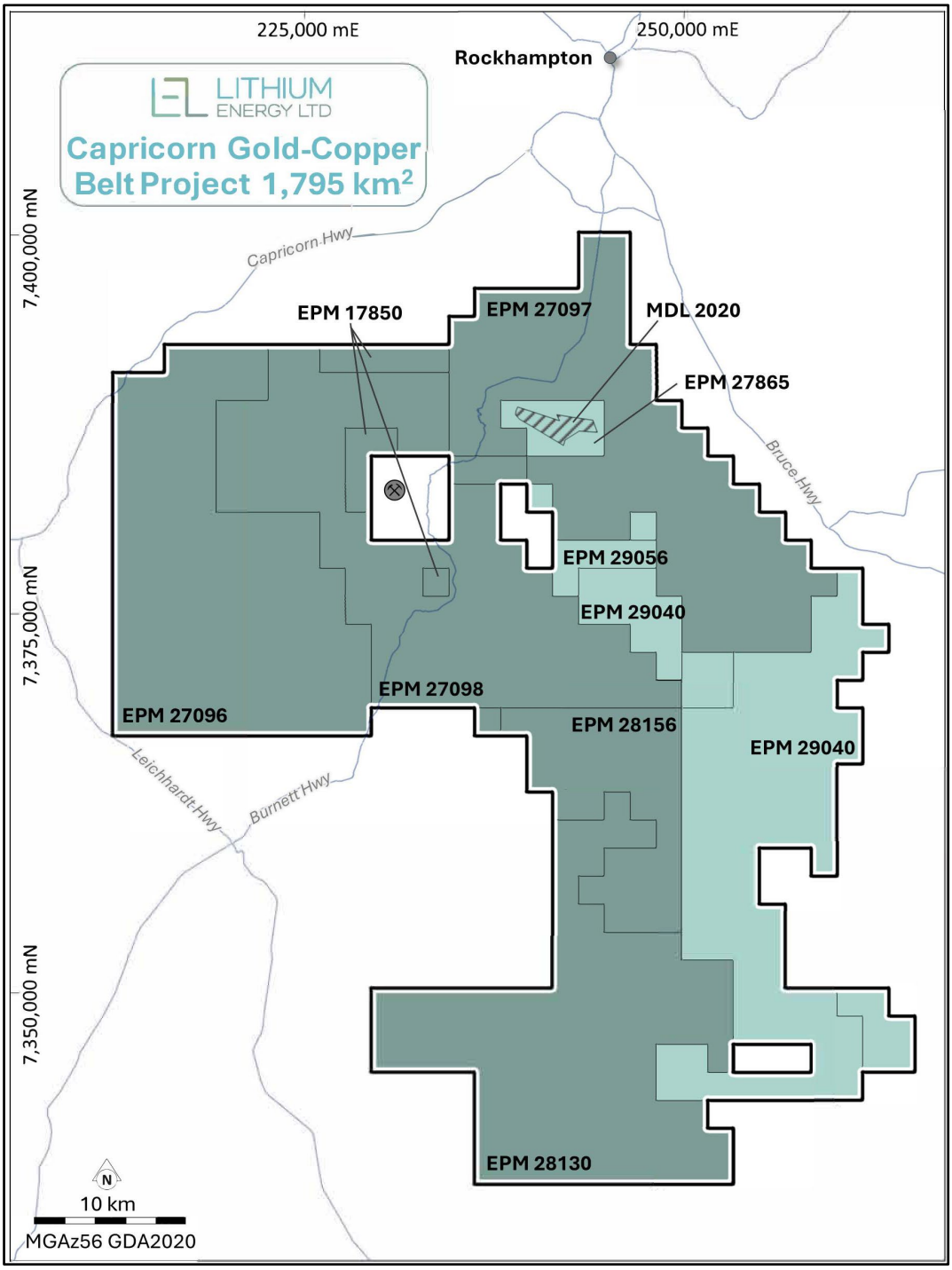

Figure 4: Capricorn Gold-Copper Belt Project Tenements

2 Ulrich, T., Golding, S.D., Kamber, B.S., Zaw, K. and Taube, A., 2003. Different mineralization styles in a volcanic-hosted ore deposit: the fluid and isotopic signatures of the Mt Morgan Au–Cu deposit, Australia. Ore Geology Reviews, 22(1-2), pp.61-90

3 Taube, A., 1986. The Mount Morgan gold-copper mine and environment, Queensland; a volcanogenic massive sulfide deposit associated with penecontemporaneous faulting. Economic Geology, 81(6), pp.1322-1340.

4 D'Arcy, K., 2018. EPM 25678, Mountain Maid, Third Annual Technical Report For the Twelve Months Ending 8 April, 2018.

The Capricorn Project contains multiple targets for gold, copper, molybdenum and zinc mineralisation, including over 30 km of strike length of the Middle Devonian age Mt Morgan Intrusive Complex which is interpreted to be the source of the Mt Morgan Mine gold and copper mineralisation[2,5]. Whilst historic open file geological, geochemical and geophysics datasets exist across the Capricorn Project tenements, minimal exploration has occurred over these tenements since the 1990's.

With the application of more modern interpretations of the regional geology, advances in geophysical and electrical survey techniques and the consolidation of large amounts of historical data in the Capricorn Project area, Lithium Energy plans to undertake an extensive program of exploration using modern geophysical techniques (including the use of advanced 3D analytics which will be applied to historical and new data) to guide an extensive drilling program over identified priority areas, targeting multiple large-scale Au, Cu, Mo, and Zn mineralised systems – including Mt Morgan gold, Cu-Mo and Cu-Au porphyry and volcanic massive sulphide (**VMS**) styles.

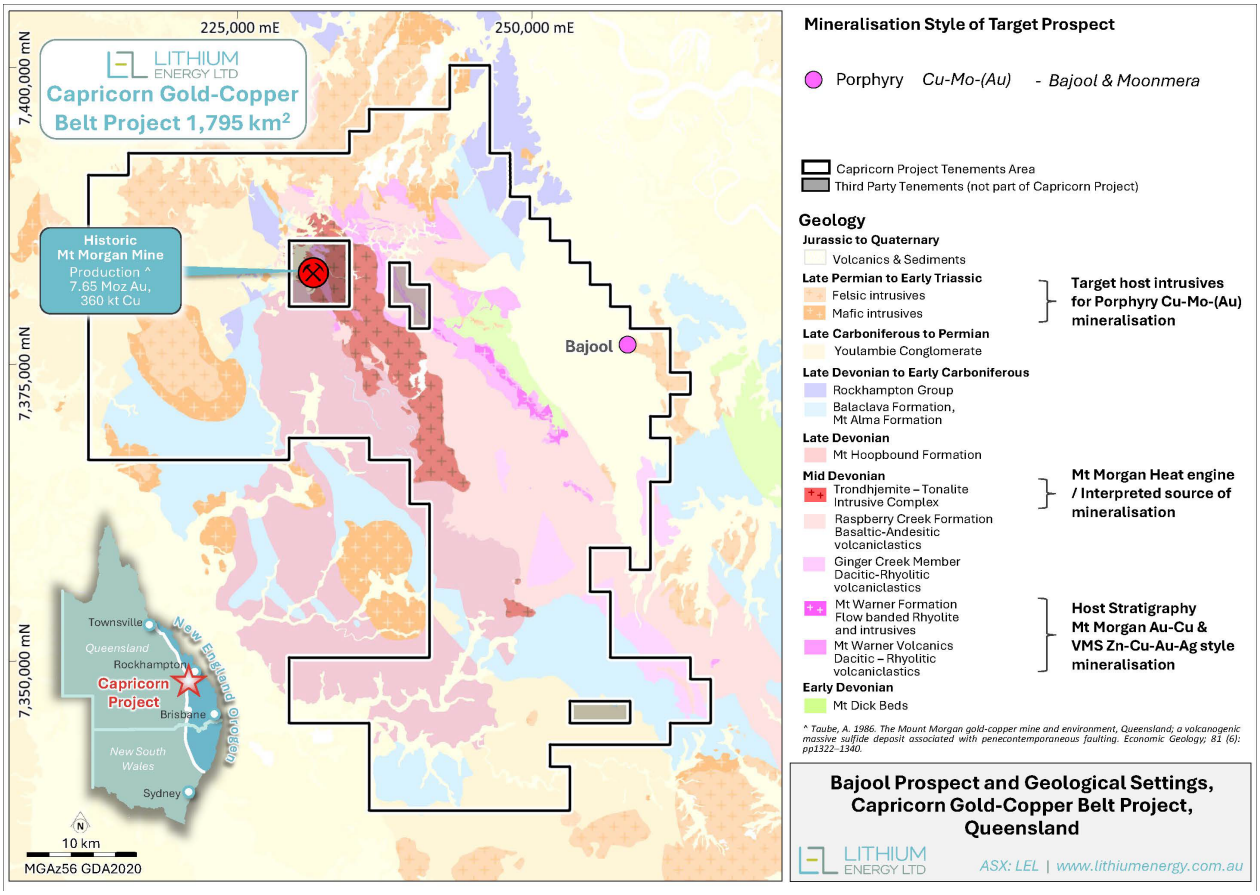

Figure 5: Location Map of Capricorn Gold-Copper Belt Project showing Bajool Prospect (containing the Limonite Hill mineral occurrence) and geological settings

AUTHORISED FOR RELEASE - FOR FURTHER INFORMATION:

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5 Arnold, G.O. and Sillitoe, R.H., 1989. Mount Morgan gold-copper deposit, Queensland, Australia; evidence for an intrusion-related replacement origin. Economic Geology, 84(7), pp.1805-1816.

ANNEXURE A

JORC CODE (2012 EDITION)
CHECKLIST OF ASSESSMENT AND REPORTING CRITERIA FOR EXPLORATION RESULTS

Section 1 Sampling Techniques and Data

Criteria	Explanation	Comments
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	Diamond drilling and assaying of split (half) core was completed by Geopeko Limited (**Geopeko**) in 1973. Remaining core was stored (at the Queensland Department of Natural and Mines Resources Exploration Data Centre in Zillmere, Brisbane, Queensland) and made available by the Geological Survey of Queensland (**GSQ**) for inspection and analyses. The remaining core selected for assay was cut in half (i.e. approximating quarter core samples).
Drilling techniques	• *Drill type (eg core, reverse circulation, open hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, facesampling bit or other type, whether core is oriented and if so, by what method, etc).*	The sampled core is at BQ size. There are no remaining indications of core orientation marks. Historical diamond drilling technique details from previous explorers are not available.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	Historical drilling core recovery details from Geopeko's annual report (GSQ Open Data Portal Report ID CR004994) (**CR004994**) states there was full core recovery for the intervals assayed by Lithium Energy Limited (**LEL**) except for a 0.2m core loss from 156m to 158m and a 0.3m core loss from 158m to 160m drill depths.

<table>
<tr><th>Criteria</th><th>Explanation</th><th>Comments</th></tr>
<tr><td>Logging</td><td>• Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.
• Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.
• The total length and percentage of the relevant intersections logged.</td><td>The core was geologically logged by Geopeko in 1973; logging is documented in CR004994.
The core was re-logged at a high level by qualified geologists from Global Ore Discovery geoscience consultancy for LEL, focused on checking the detailed historical logging and compiling high level lithology, alteration and sulphide mineralisation logs. Photographs of selected core lengths were taken. Photographs were taken of the specimens selected for petrological work. Refer also:
• Figure 3a. Drill Core photos from the Queensland Mines Department Core Library, Zillmere, D28-DDH4 Tray 22, from 158.1-164.6m
• Figure 3b. Photograph: approximately 10cm length of broken core displaying the Cu-Mo hosting sulphide minerals within a quartz vein. Specimen from 160.16m drill depth in hole D28-DDH4
• Figure 3c. Photograph: approximately 5cm length of broken core displaying predominantly sulphide minerals. Specimen from 160.6m drill depth in hole D28-DDH4</td></tr>
<tr><td>Subsampling techniques and sample preparation</td><td>• If core, whether cut or sawn and whether quarter, half or all core taken.
• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.
• For all sample types, the nature, quality and appropriateness of the sample preparation technique.
• Quality control procedures adopted for all subsampling stages to maximise representivity of samples.
• Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.
• Whether sample sizes are appropriate to the grain size of the material being sampled.</td><td>Half of the remaining half-core was taken for assay. The core was cut for the LEL assays. The original core is interpreted to have been split based on the broken and irregular surface of the remaining core. Sample weights are stated in Table 1 (Analytes of interest for all core samples taken from drill hole D28-DDH4, Limonite Hill) below.
The samples were prepared by Australian Laboratory Services Pty Ltd (ALS) in Brisbane, Queensland. ALS prepared the samples as follows:
<table>
<tr><th>ALS preparation code</th><th>Description</th></tr>
<tr><td>LOG22</td><td>Raw sample weighed, labelled, logged into tracking system</td></tr>
<tr><td>CRU21q</td><td>Coarse crushing to a target of 70% passing 6mm</td></tr>
<tr><td>SPL21</td><td>Split sample using a riffle splitter</td></tr>
<tr><td>PUL23</td><td>Pulverise up to 3kg to a target of 85% passing 75µm</td></tr>
</table></td></tr>
<tr><td>Quality of assay data and laboratory tests</td><td>• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.
• For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.
• Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</td><td>Sample analyses were undertaken to provide a geochemical characterisation. The samples were analysed by ALS, a NATA accredited geochemistry testing laboratory. ALS analysed the samples as follows:
<table>
<tr><th>ALS analysis code</th><th>Description</th></tr>
<tr><td>ME-MS42</td><td>Aqua regia digest (‘partial’)</td></tr>
<tr><td>ME-MS81</td><td>Acid dissolution of a lithium borate fused bead for trace element analysis (‘total’) using ICP-MS</td></tr>
<tr><td>ME-ICP81</td><td>Sodium peroxide fusion and ICP-AES finish</td></tr>
</table></td></tr>
</table>

<table>
<tr><th>Criteria</th><th>Explanation</th><th>Comments</th></tr>
<tr><td></td><td></td><td>
<table>
<tr><td>ME-4ACD81</td><td>4-acid dissolution (‘total’) of a lithium borate fused bead and ICP-AES finish</td></tr>
<tr><td>ME-IR08</td><td>Total S and C by induction furnace</td></tr>
<tr><td>Ba/ME-XRF15b</td><td>Lithium borate fused bead exposed to a strong oxidising agent, to decompose sulphur-rich material, before XRF analysis</td></tr>
<tr><td>‘Cu/Zn/Pb/Ag’ - OG62</td><td>4-acid digest (‘total’)</td></tr>
</table>
Field blanks of washed sand were inserted at an approximate rate of 1:12 (seven in total).
Two types of commercially available field standards were inserted into the sample batch: OREAS 630b (four in total) and OREAS 504d (six in total).
Acceptable levels of accuracy and precision were returned from the field and laboratory blanks and standards.
</td></tr>
<tr><td>Verification of sampling and assaying</td><td>• The verification of significant intersections by either independent or alternative company personnel.
• The use of twinned holes.
• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.
• Discuss any adjustment to assay data.</td><td>LEL sample interval depths were matched where possible to the historical assay depths. Results from the twinned analytes were comparable considering the following sources of variation:
(a) Laboratory sample preparation techniques;
(b) Laboratory instrumentation;
(c) Broken and disturbed nature of the previously split core;
(d) Natural mineralisation heterogeneity in the core; and
(e) Human error in determining ‘from’ and ‘to’ depths of the disturbed and broken core.</td></tr>
<tr><td>Location of data points</td><td>• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.
• Specification of the grid system used.
• Quality and adequacy of topographic control.</td><td>Collar co-ordinate accuracy is low. Historical local grids and collars on historical maps required estimation against modern maps and aerial imaging to determine collar co-ordinates.
Grid system used: GDA94 MGA zone 56.</td></tr>
<tr><td>Data spacing and distribution</td><td>• Data spacing for reporting of Exploration Results.
• Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.
• Whether sample compositing has been applied.</td><td>Only one drill hole from the Limonite Hill prospect, D28-DDH4, was assayed.
A total of 26, 2m samples were sent for assay. 2m sample intervals were continuous from 82m to 106m and from 156m to 184m (down hole depths).
No sample compositing was done.</td></tr>
</table>

Criteria	Explanation	Comments
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	Orientation of the core is unknown. Orientation of the sample relative to possible structures and mineralisation is unknown.
Sample security	• *The measures taken to ensure sample security.*	Sampling and sample transport was carried out by LEL and Global Ore Discovery geological consultant personnel.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	No audits or reviews of sampling were performed.

Section 2 Reporting Exploration Results

Criteria	Explanation	Comments
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	This announcement pertains to EPM 27097 held by GBM Resources Limited (ASX:GBZ) (**GBZ**) and EPM 29040 held by PTr Resources Pty Ltd (**PTr**) (being a subsidiary of Management Z Pty Ltd (**MZPL**), which is itself a subsidiary of Great Southern Gold Corp. (**GSGC**)). At the date of this announcement, EPM 27097 is granted and EPM 29040 is an application (filed on 21 May 2024) pending grant. Lithium Energy Limited (ASX:LEL) (LEL) and subsidiaries have entered into agreements to acquire a 100% interest in the GBZ Tenements (EPM17850, EPM27096, EPM27097, EPM27098, EPM27865 and MDL 2020) and PTr Tenements (EPM28156, EPM28130, EPM29040 and EPM29065), as follows: (a) an Asset Sale Agreement (dated 12 March 2025) between LEL (as Buyer Guarantor), LE Minerals Pty Ltd (**LEM**), Mt Morgan Pty Ltd (**MM**) (as Buyer) and GBZ (as Seller) to acquire the GBZ Tenements and mining information (**GBZ Agreement**); (b) an Asset Sale Agreement (dated 12 March 2025) between LEL (as Buyer Guarantor), LEM, Mt Morgan South Pty Ltd (**MMS**) (as Buyer), PTr (as Seller) and MZPL and GSGC (as Seller Guarantors), to acquire the PTr Tenements and mining information (**PTr Agreement**); and The GBZ Tenements and PTr Tenements (together, the **Capricorn Project**) are located in Queensland, Australia. The GBZ Agreement and PTr Agreement is subject to completion in 2 tranches (with a 51% interest to be transferred on satisfaction/waiver of conditions, which is pending as at the date of this announcement) and the balance of 49% to be transferred 21 months after the completion of tranche 1. Mt Morgan Metals Pty Ltd (being a subsidiary of GBZ) (**MMM**) and PTr are entitled to receive a 2% NSR royalty in respect of the GBZ and PTr Tenements, pursuant to a Royalty Deed (dated 12 March 2025) between LEL (as Buyer Guarantor), LEM (as Payer), MM, MMS and MMM and PTr (as Payees) (**Royalty Deed**). The Royalty Deed will apply after MM/MMS have completed their acquisition of the GBZ and PTr Tenements.

<table>
<tr><th>Criteria</th><th>Explanation</th><th>Comments</th></tr>
<tr><td></td><td></td><td>Refer to Annexure B of LEL's ASX Announcement dated 14 March 2025 titled "Tenement Consolidation Creates Significant New District-Scale Gold-Copper Belt Project in Central Queensland" for further details in relation to the GBZ Agreement, PTr Agreement and the Royalty Deed.

Relevant access agreements ('Section 31 Deeds') have been entered into (by GBZ and PTr, as applicable) with registered native title holders, the Gaangalu Nation People and the Darumbal People. These agreements are also the subject of deeds of assignment and assumption to MM and MMA (as applicable) pending execution by the parties.</td></tr>
<tr><td>Exploration done by other parties</td><td>Acknowledgment and appraisal of exploration by other parties.</td><td>Bajool Complex and Limonite Hill Prospect

The Bajool Permo-Triassic age, Quartz Diorite Igneous Complex (BIC), located about 26 km east-southeast of Mt Morgan hosts the Limonite Hill porphyry style Cu – Mo and related prospects. Mineralisation is associated with magnetic lows along an 8km NW-SE oriented trend which transects the BIC. Between 1969-2015, the Limonite Hill prospect area has been explored by several explorers. Modern exploration commenced in 1969. During this time there has been multiple geological mapping campaigns, surface geochemical surveys, ground and airborne geophysics surveys and drilling. Geophysics surveys included induced polarisation, ground magnetic, electromagnetic, radiometric, airborne magnetics and radiometrics.
<table>
<tr><th>Company</th><th>Year</th><th>Work Completed</th><th>Tenement</th><th>GSQ Open Data Portal Report ID</th></tr>
<tr><td>Kennecott Explorations (Australia) Pty Limited (Kennecott)</td><td>1969-1971</td><td>Reconnaissance geological mapping followed by soil sampling (600 samples) and rock chip sampling (9 samples) covering Limonite Hill and Ultimo. Completion of 4 lines of Induced Polarisation and a ground magnetics survey.</td><td>EPM 667</td><td>CR003338</td></tr>
<tr><td>Esso & Geopeko Limited</td><td>1972-1974</td><td>Soil auger sampling at Ultimo and San Jose and geophysics surveys including aeromagnetic, airborne electromagnetics and further induced polarisation. Completion of 6 diamond holes for 1,327.7m.</td><td>EPM 1087</td><td>CR004390
CR004994</td></tr>
<tr><td>CRA Exploration Pty Limited (CRA)</td><td>1991-1993</td><td>Geological reconnaissance at Limonite Hill leached cap, the Ultimo quartz pipe, and San Jose quartz pipes with selective rock chip sampling (24 samples). Completion of a ground magnetics survey (20-line km at 100m line spacing) and gradient array induced polarisation with a single line of dipole dipole induced polarisation. An airborne magnetic and radiometric survey (200m spaced lines). Drilling of 12 mixed reverse circulation and diamond holes for 848.7m</td><td>EPM 8121</td><td>CR024257
CR025178</td></tr>
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<tr><th>Criteria</th><th>Explanation</th><th>Comments</th></tr>
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<tr><td>GBM Resources Limited (GBZ)</td><td>2015-2024</td><td>Airborne magnetics and radiometrics on a 50m line spacing. Moho Tromino BLU Passive Seismic Sensor. 3D inversion of magnetics.</td><td>EPM 19288</td><td>CR094787</td></tr>
</table>
The GBZ Airborne Magnetic/Radiometric survey over the Bajool complex is show in Figure 1, where LEL has applied a RTP filter and a histogram equalized data stretch, on the gridded magnetic data.
Survey Specifications.
• Contractor: Thomson Aviation Job Number F14095
• Survey Date: February 2015
• Total Line kilometers: 4434
• Line Spacing : 50m
• Line Direction: 90 degrees
</td></tr>
<tr><td>Geology</td><td>Deposit type, geological setting and style of mineralisation.</td><td>
Regional Geology
The Capricorn Project area is located in the northern part of the Yarrol Province, an early tectonostratigraphic sequence of the New England Orogen (NEO). It consists mainly of a Late Devonian to Carboniferous forearc basin succession, assigned to the Rockhampton Subprovince in the south and the Campwyn Subprovince.
A number of Silurian–Devonian age intra-oceanic arc segments are recognised along the length of the NEO. These arc segments host historically significant copper-gold-base metal mineralisation associated with volcanic and volcanogenic sedimentary rocks, with the largest being the Mt Morgan Deposit of the Calliope Province.
The central belt of the Project is dominated by the Devonian sequences of the Capella Creek Group, that have been folded into a 70 km long, SE-trending anticline. The Capella Creek Group consists of the Early-Mid Devonian Mt Dick Beds, Middle Devonian Mt Warner Volcanics (Host to the Mt Morgan Mine and other historic VMS occurrences), and the Middle Devonian Raspberry Creek Formation.
A district-scale northwest-trending ‘arch’ separates two Middle-Upper Devonian successor basins – the Raspberry Creek Formation to the east and the Mount Hoopbound Formation and younger rocks to the west.
The core of the arch comprises the Middle Devonian Mt Morgan Trondhjemite (MMT) and related tonalites and felsic volcano-sedimentary units of the subduction related island arc, consisting of felsic volcanic centres with an overprinted earlier back arc setting. The Mount Warner Volcanics hosts the Mt Morgan Au-Cu deposit in a roof pendent to the MMT and are interpreted to be cogenetic with the MMT.
Two igneous complexes, inferred to be of Late Permian age the Kyle Mohr Igneous Complex (KMIC) and the Bouldercombe Igneous Complex, intrude the area. Both units host a complex suite of bimodal granite to gabbro intrusions, with the KMIC predominantly granodiorite and a dioritic to gabbroic outer ring up to 2 km wide.
Ultramafic rocks intrude all the above units, mainly as dykes, but also as small plugs and layered gabbro complexes, such as at Bucknall.
</td></tr>
</table>

<table>
<tr><th>Criteria</th><th>Explanation</th><th>Comments</th></tr>
<tr><td></td><td></td><td>Open folding and high-angle reverse faulting occurred when the area was tectonically stabilised. Erosion and peneplanation followed, with fluviatile sands deposited over the older rocks, forming flat-lying, horizontal mesas and outliers of the Jurassic Razorback Beds.
Bajool Complex and Limonite Hill Prospect
The Bajool intrusive complex consists of a series of Permo-Triassic age hypabyssal intrusives dominated by the Bajool Quartz Diorite, which intrudes rocks of the Capella Creek Group, Erebus beds, Middle Devonian gabbros, Mount Alma Formation, and Rockhampton Group. Outcrops are sparse, with most of the intrusion being covered by a thick regolith layer of decomposed granitoid, which forms a flat plain.
Within the complex area, there are several discreet zones of magnetite destruction, manifest in the aeromagnetic data as lows, which define a NW-SE oriented corridor approximately 8 km in length that transects the Bajool Quartz Diorite Complex. Three of these magnetic lows exhibit limonite bearing quartz pipes at Limonite Hill, Ultimo, and San Jose prospects which locally contain molybdenite and chalcopyrite porphyry style mineralisation.
The Ultimo quartz pipe contains pure white to colourless glassy quartz with traces of molybdenum. Up to 10,000 tonnes of quartz were extracted between 1940 and 1961 to be used as a smelting flux at the Mt Morgan mine.</td></tr>
<tr><td>Drill hole Information</td><td>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:
– easting and northing of the drill hole collar
– elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar
– dip and azimuth of the hole
– down hole length and interception depth
– hole length.
If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case</td><td>
<table>
<tr><th>Occurrence within Bajool Prospect</th><th>Hole ID</th><th>National Grid</th><th>Easting#</th><th>Northing#</th><th>RL (m)</th><th>Dip (°)</th><th>Azimuth (Magnetic)</th><th>EoH Depth* (m)</th></tr>
<tr><td>Limonite Hill</td><td>D28-DDH4</td><td>MGA94 Zone 56</td><td>258523</td><td>7377774</td><td>31</td><td>-50</td><td>281</td><td>300.4</td></tr>
</table>
Estimated from plans in historical statutory exploration report CR004994 held by the Queensland Geological Survey
* Depth is measured along the length of the hole from the surface

Core diameter: BQ
Assayed depths are along the length of the hole: from 82m to 106m and from 156m to 184m.</td></tr>
<tr><td>Data aggregation methods</td><td>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade</td><td>No metal equivalent reporting has been applied.
Significant assay intercept results stated in the announcement have been calculated as a weighted average.</td></tr>
</table>

Criteria	Explanation	Comments
	truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	There is not enough information to establish any relationship between mineralisation widths and intercepts from assay intervals. The geometry of the mineralisation with respect to the drill hole angle is not known. Depths and assay intervals are down hole lengths. True widths are not known.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Refer: • Figure 1. *Location of the Bajool Intrusive Complex (BIC) defined by airborne magnetic low, the Limonite Hill and Ultimo porphyry Cu-Mo occurrences and diamond drill hole D28-DDH4 (Base layer: Airborne RTP magnetics)* • Figure 2. *Schematic cross-section geology based on the logging of drill hole D28-DDH4 (Facing south, section on 7377775mN line, GDA94 MGA zone 56)* • Figure 4. *Capricorn Gold-Copper Belt Project Tenements* • Figure 5. *Location Map of Capricorn Gold-Copper Belt Project showing Bajool Prospect (containing the Limonite Hill mineral occurrence) and geological settings*
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	The LEL assays in Table 1 contain the most relevant analytes, for the style of geological deposit being explored, for all samples submitted.

Criteria	Explanation	Comments
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	There is no other substantive exploration data to report other than that summarised in *"Exploration done by other parties"*
Further work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Across the Capricorn Project, LEL plans to undertake an extensive program of exploration using modern geophysical techniques (including the use of advanced 3D analytics which will be applied to historical and new data) to guide an extensive drilling program over priority areas identified, targeting multiple large-scale Au, Cu, Mo, and Zn mineralised systems. At the Bajool Intrusive Complex (BIC), a Direct Current Induced Polarisation (DCIP) survey in conjunction with an Audio/Magnetotellurics (AMT/MT) survey will be done over most of the BIC area, subject to land holders providing access. A drilling program to find larger and/or deeper Cu-Mo deposits will be designed pending the results and interpretations from the geophysical surveys.

JORC CODE (2012) COMPETENT PERSON'S STATEMENT

The information in this document that relates to Exploration Results in relation to the Capricorn Gold-Copper Belt Project is based on information compiled by Mr Peter Smith, BSc (Geophysics) (Sydney) AIG ASEG, who is a Member of the Australian Institute of Geoscientists (**AIG**). Mr Smith is an Executive Director of Lithium Energy Limited. Mr Smith has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken 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)**). Mr Smith consents to the inclusion in this document of the matters based on this information in the form and context in which it appears.

Table 1. Analytes of interest for all core samples taken from drill hole D28-DDH4, Limonite Hill

From (m)	To (m)	Interval (m)	Analysis method	ME-4ACD81	Cu-OG62	ME-4ACD81	ME-4ACD81	ME-4ACD81	ME-4ACD81	ME-ICP81	ME-IR08	ME-MS42	ME-MS42	ME-MS42	ME-MS42	ME-MS42	ME-ICP81	ME-MS42
			Sample weight (kg)	Cu (ppm)	Cu (%)	Mo (ppm)	Zn (ppm)	Pb (ppm)	Ag (ppm)	S (%)	S (%)	Se (ppm)	Sb (ppm)	Te (ppm)	Re (ppm)	As (ppm)	As (%)	Bi (ppm)
82	84	2	1.24	1670		255	76	2	0.7	2.47	2.34	2.6	<0.05	0.09	0.35	0.1	<0.01	0.12
84	86	2	1.19	1130		362	63	4	<0.5	1.58	1.55	2	0.05	0.07	0.535	0.3	<0.01	0.1
86	88	2	1.08	891		146	57	4	<0.5	1.84	1.8	1.5	<0.05	0.05	0.144	0.2	<0.01	0.11
88	90	2	0.84	721		25	68	3	<0.5	1.39	1.31	1	<0.05	0.06	0.018	0.2	<0.01	0.09
90	92	2	1.45	738		17	78	4	<0.5	1.93	1.8	1.4	<0.05	0.06	0.033	0.3	<0.01	0.11
92	94	2	1.3	376		7	91	5	<0.5	1.25	1.2	1	<0.05	0.06	0.007	0.3	<0.01	0.07
94	96	2	1.39	438		6	88	4	<0.5	1.92	1.81	1.2	<0.05	0.06	0.007	0.1	<0.01	0.08
96	98	2	1.52	723		10	76	4	<0.5	2.03	1.9	1.6	<0.05	0.06	0.01	0.2	<0.01	0.08
98	100	2	0.97	802		12	73	3	<0.5	3.61	3.33	2.5	0.05	0.08	0.01	0.4	<0.01	0.11
100	102	2	1.27	773		10	71	3	<0.5	2.84	2.72	1.4	<0.05	0.07	0.013	0.2	<0.01	0.08
102	104	2	1.17	627		31	57	4	<0.5	2.68	2.48	1.6	0.06	0.05	0.024	0.4	<0.01	0.1
104	106	2	1.24	613		399	46	4	<0.5	2.65	2.44	1.5	0.07	0.05	0.614	0.4	<0.01	0.09
156	158	2	0.73	507		115	39	2	<0.5	0.96	0.94	0.9	0.15	0.03	0.072	1	<0.01	0.12
158	160	2	1.18	1745		735	21	2	<0.5	1.71	1.69	1.4	0.35	0.03	0.358	2.3	<0.01	0.12
160	162	2	1.26	>10000	3.22	252	582	<2	17.7	9.2	9.13	6.8	0.45	0.24	0.163	2.6	<0.01	0.86
162	164	2	1.31	2570		230	52	2	1	2.38	2.41	1.5	0.14	0.19	0.177	1.8	<0.01	0.51
164	166	2	1.48	3840		1755	47	4	1.1	5.22	5.3	3	0.18	0.12	1.06	2.2	0.01	0.74
166	168	2	1.07	1955		137	18	2	0.6	5.29	5.14	2.6	0.45	0.11	0.072	7	<0.01	0.26
168	170	2	1.29	1560		181	33	4	0.6	2.78	2.75	1.7	0.22	0.07	0.122	3.9	<0.01	0.23
170	172	2	1.5	2030		126	65	6	0.5	2.74	2.58	1.4	0.23	0.23	0.089	2	<0.01	0.45
172	174	2	1.01	416		36	52	5	<0.5	0.92	0.86	0.5	0.13	0.02	0.016	0.4	<0.01	0.22
174	176	2	0.98	300		41	56	4	<0.5	1.3	1.28	0.4	0.21	0.07	0.025	0.3	<0.01	0.23
176	178	2	1.29	131		19	47	3	<0.5	0.42	0.39	0.2	0.1	0.04	0.012	0.3	<0.01	0.24
178	180	2	1.19	352		85	65	3	<0.5	1.22	1.16	0.5	0.11	0.06	0.042	0.3	<0.01	0.37
180	182	2	1.23	350		102	68	4	<0.5	0.84	0.8	0.5	0.05	0.03	0.097	0.2	<0.01	0.14
182	184	2	1.09	119		187	46	3	<0.5	0.25	0.25	0.2	0.06	0.02	0.157	0.2	<0.01	0.07

Note: A total of 26, 2m samples were sent for assay. 2m sample intervals were continuous from 82m to 106m and from 156m to 184m (down hole depths)