

MARKET ANNOUNCEMENT

Chairman's Address to the Annual General Meeting

I would like to welcome you on behalf of the Lithium Energy Limited (ASX:LEL) (**Lithium Energy** or the **Company**) Board of Directors to the Company's inaugural Annual General Meeting (**AGM**).

In May this year¹, Lithium Energy was listed on the ASX following a very successful Initial Public Offering (**IPO**)², in which we raised \$9 Million (from the issue of shares at 20 cents each) to pursue our key Battery Minerals Projects, being the Solaroz Lithium Brine Project in Argentina and the Burke Graphite Project in Queensland.

The world is currently undergoing a rapid transformation from reliance on fossil fuels to renewable energy. Central to this is the electrification of mobility and grid storage, both of which need batteries – and lithium-ion batteries are still the dominant technology for these applications and likely to remain so for a long time to come. Lithium-ion batteries need both lithium and graphite and the demand for both of these essential minerals is set to skyrocket over the next decade.

Lithium Energy is uniquely positioned to take advantage of the global energy transformation, because we are the only ASX-listed company with direct exposure to these two most important ingredients of lithium-ion batteries, lithium and graphite. Furthermore, we are uniquely positioned to not only potentially mine these two critical battery minerals, but to create significant additional value through the development of value-adding downstream processing facilities right here in Australia.

Our Solaroz Lithium Brine Project in Argentina has a great address, being situated in South America's "Lithium Triangle" right next door to and in the same lithium-rich 'Olaroz Basin' as Orocobre's (ASX/TSX:ORE) Olaroz lithium carbonate production facility and Lithium Americas Corporation (TSX/NYSE:LAC) advanced Cauchari-Olaroz lithium brine development project.

Orocobre has been producing Lithium Carbonate from Olaroz for over 5 years and currently has a market capitalisation of approximately \$6 Billion. Lithium Americas has a market capitalisation of approximately US\$4 Billion. The upside value potential for Lithium Energy from successful exploration at Solaroz is therefore substantial.

Lithium Energy has also announced an Exploration Target for Solaroz³, which demonstrates the potential world-class scale of the Solaroz.

-
- 1 Refer LEL ASX Announcements dated 17 May 2021: ASX Notice – Admission to Office List and 19 May 2021: Lithium Energy Limited Commences Trading on ASX
 - 2 Refer LEL ASX Announcement released on 17 May 2021: Prospectus
 - 3 Refer LEL ASX Announcement dated 8 June 2021: Substantial Lithium Exploration Target Identified at the Solaroz Project in Argentina



ASX : LEL

www.lithiumenergy.com.au

LITHIUM ENERGY LIMITED

Level 2, 31 Ventnor Avenue, West Perth, Western Australia 6005

T | (08) 9214 9737

F | (08) 9214 9700

A.B.N. 94 647 135 108

E | info@lithiumenergy.com.au

Closer to home, our Burke Graphite Deposit (containing a JORC Inferred Mineral Resource⁴) in Queensland is one of the world's highest grade deposits of graphite held by an ASX listed company. Graphite is essential for lithium-ion batteries – in fact there is typically ten times more graphite in a lithium-ion battery than lithium.

With our high grade graphite, we are looking at the potential to move up the value chain and construct a manufacturing facility for Purified Spherical Graphite (**PSG**) in or close to the North Queensland Townsville Energy Chemicals Hub⁵, which is rapidly becoming an important precinct for new battery related industries.

PSG is used as anode material for lithium-ion batteries. Currently, it comes mostly from China using highly toxic chemicals for purification. Our goal is to meet the growing demand for more environmentally sustainable production of PSG here in Australia, where we have very supportive government and a number of emerging battery technology and manufacturing hubs such as at Townsville being developed.

As a company, we are committed to sustainability, through our three key principles of fostering innovation and a passion for a sustainable future, supporting the communities in which we operate and minimising environmental impacts through sustainable development.

With extensive exploration works planned at Solaroz and the value adding opportunities for Burke Graphite, we have a very exciting year coming up. We are looking forward to the journey ahead and are thankful for the support of our shareholders, employees and partners.

AUTHORISED FOR RELEASE - FOR FURTHER INFORMATION:

William Johnson
Executive Chairman
T | (08) 9214 9737
E | cosec@lithiumenergy.com.au

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 tenements 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 tenements being developed into production by Orocobre Limited (ASX/TSX:ORE) 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. LEL was spun out of Strike Resources Limited (ASX:SRK) via a \$9 million IPO; Strike remains a major (43%) shareholder of the Company.

4 Refer Strike Resources Limited (ASX:SRK) ASX Announcement dated 13 November 2017: Maiden Mineral Resource Estimate Confirms Burke Project as One of the World's Highest-Grade Natural Graphite Deposits

5 Refer LEL ASX announcement dated 21 October 2021: Lithium Energy to Pursue Downstream Graphite Processing Opportunity at Emerging Townsville Battery Hub