Thursday, 18 August 2022 ASX Code : LEL

MARKET ANNOUNCEMENT

Highly Encouraging Geophysics Paves Way for Commencement of Drill Testing of Brines at Solaroz

SUMMARY

- Lithium Energy's Solaroz Lithium Brine Project is located in the highly prospective Lithium Triangle in Argentina and is directly adjacent to or principally surrounded by lithium majors Allkem Limited (ASX/TSX:AKE) and Lithium Americas Corporation (TSX/NYSE:LAC)
- Interpretation of geophysics completed to date confirms the presence of significant volumes of potentially lithium hosting brines at Solaroz, consistent with the Exploration Target previously announced by the Company
- Geophysics have encouragingly indicated brine thicknesses up to 300 metres and to depths up to 500 metres below surface in sections
- Geophysics data collection and interpretation is progressing to build a complete picture of the Solaroz Project
- Priority drill targets have now been established for an initial drilling programme which will test the extent and grades of lithium mineralisation, porosity and flow rates across the layer(s) of conductive brines which have been identified by the geophysics
- Site preparation works for commencement of drilling are currently underway, with 5,000 metre drill programme to commence shortly
- The initial drilling programme will seek to validate the Exploration Target previously announced by the Company and define a maiden JORC Mineral Resource of lithium at Solaroz

Lithium Energy Limited (ASX:LEL) (**Lithium Energy** or **Company)** is pleased to provide an update on the progress of its exploration programme at its highly prospective flagship Solaroz Lithium Brine Project, located in Argentina in the heart of South America's Lithium Triangle (**Solaroz**). Solaroz is located directly adjacent to or principally surrounded by lithium majors Allkem Limited (ASX/TSX:AKE) and Lithium Americas Corporation (TSX/NYSE:LAC) (refer Figure 1).

Exploration Objective

The objective of the exploration programme is to define a maiden JORC Mineral Resource of lithium from its substantial 12,000 hectare concession area on the Salar de Olaroz basin (**Olaroz Salar**), where Allkem Limited (formerly Orocobre Limited) has been producing lithium since 2015 (under a joint venture with Toyota Tsusho Corporation (TYO:8015)) and Lithium Americas Corporation is advancing its Cauchari-Olaroz development project (under a joint venture with Ganfeng Lithium).

Lithium Energy has previously defined an Exploration Target[1] for Solaroz of:

1.5 to 8.7 million tonnes of contained Lithium Carbonate Equivalent (LCE) based on a range of lithium concentrations of between circa 500 mg/L Lithium (Li) and 700 mg/L Li,

based primarily on Lithium Energy's assessment of the results of previous exploration work undertaken by Allkem and Lithium Americas in the neighbouring area on the Olaroz Salar.

The Exploration Target's potential quantity and grade is conceptual in nature, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

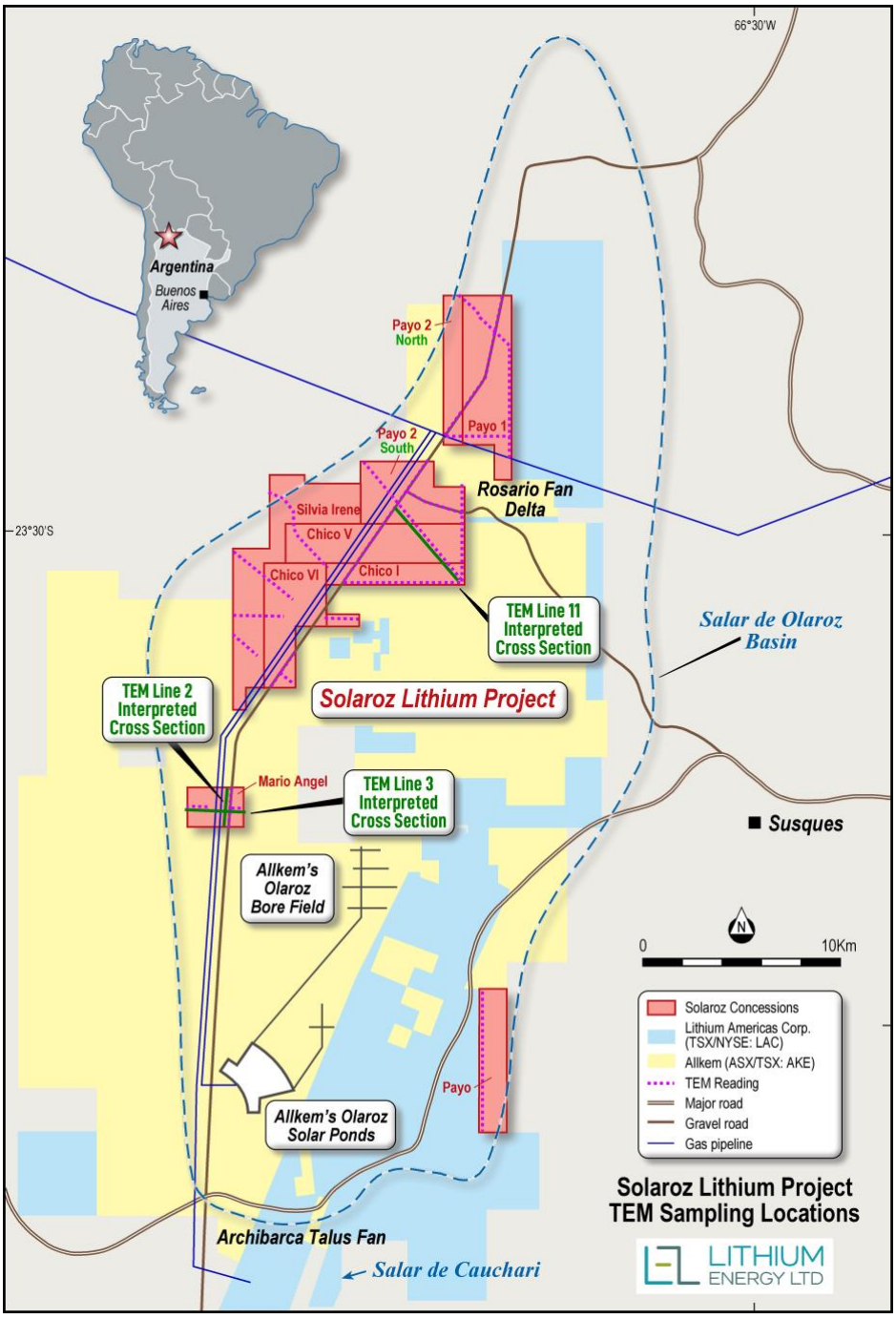

Figure 1: Solaroz Project Map showing locations of TEM Survey Lines

1 Refer LEL ASX Announcement dated 8 June 2021: Substantial Lithium Exploration Target Identified at the Solaroz Project in Argentina

Exploration Results Support Exploration Target

Lithium Energy is pleased to advise of highly encouraging results received to date from the interpretation of Passive Seismic and Transient Electromagnetic geophysics (**TEM**)[2] surveys undertaken across Solaroz. These results have confirmed the presence of significant quantities of conductive brines in the Solaroz concession area.

Conductive brines such as those currently being mined by Allkem in adjoining concessions are a key pathfinder for the occurrence of lithium in the Olaroz Salar.

In particular, geophysics interpreted to date indicates that the Olaroz Salar over its growth history has been influenced by basement growth faults that have locally influenced the thickness of the sedimentary units in the basin. Because of this, portions of the Olaroz Salar in the Solaroz concession area have locally thickened sedimentary units which appear to have locally increased the thickness of the brine hosting units.

Thicknesses of interpreted brine within the Solaroz concession area of up to 300 metres and to depths up to 500 metres below surface have been identified (see Figure 2 below), which Lithium Energy believes is highly encouraging for the potential establishment of a significant maiden JORC Mineral Resource for Solaroz.

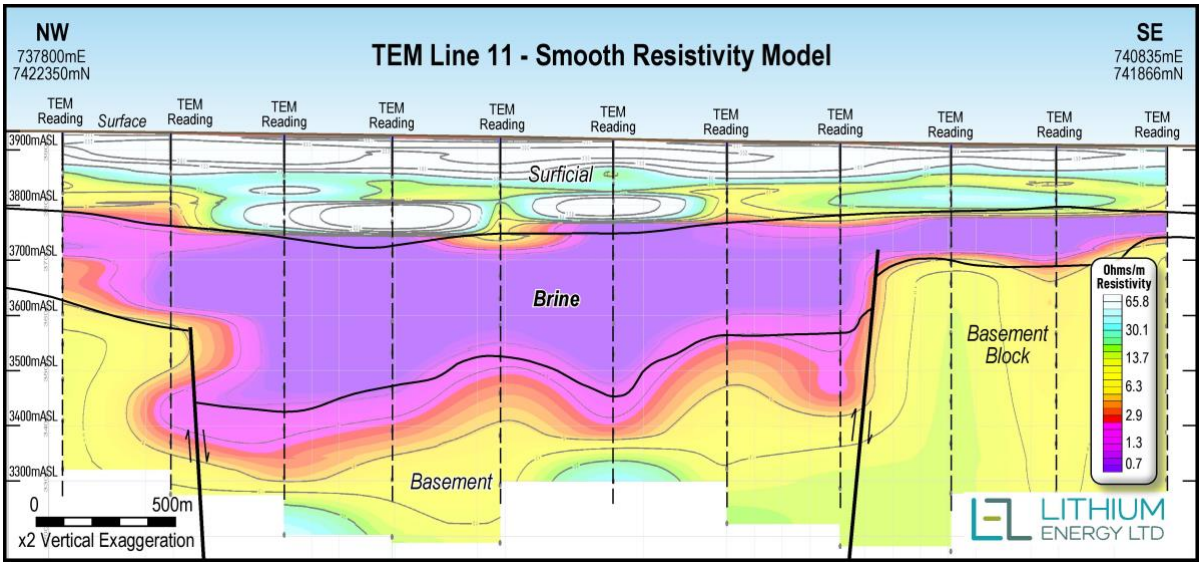

Figure 2: Cross-section measured resistivity along TEM Survey Line 11 across Payo 2 South, Chico V and Chico I concessions

2 Passive Seismic surveys are being used to determine the base of the underlying basement rock, with the basement defining the theoretical depth limit of potential lithium mineralisation. Transient Electromagnetic geophysics (**TEM**) measures electrical conductivity at depth and are being used to identify the depth of conductive brines (i.e. salty water with low electrical resistivity) above the basement rocks identified by the Passive Seismic programme.

The volumes of interpreted conductive brines across the three separate sections which have been interpreted to date (including TEM Survey 11 referred to above), are shown in red in Figures 3, 4 and 5 below

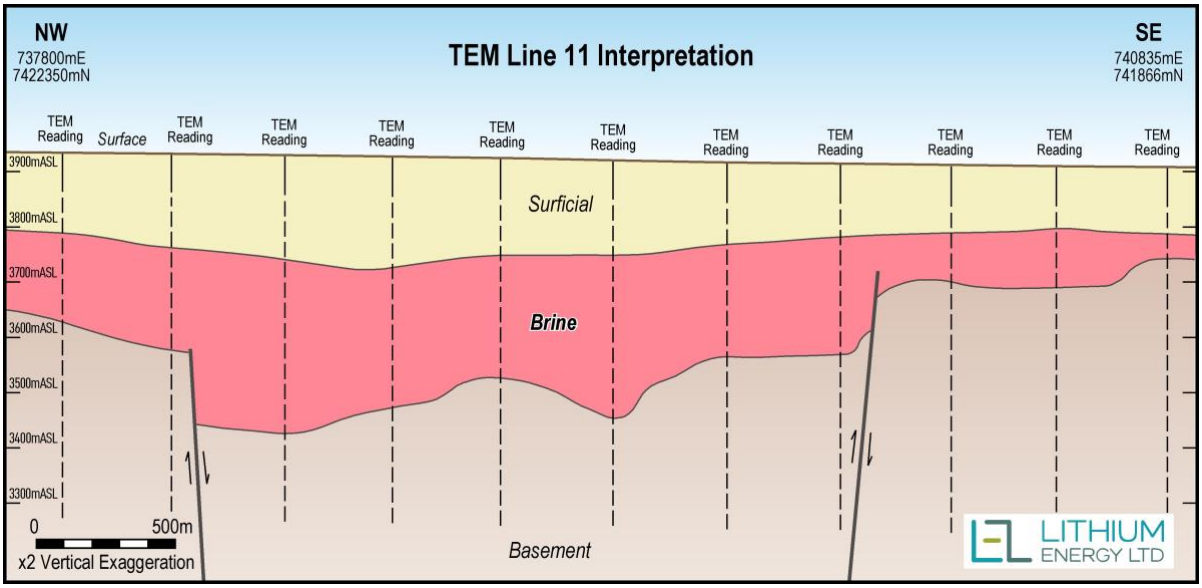

Figure 3: Cross-section along TEM Survey Line 11 across Payo 2 South, Chico V and Chico I concessions, interpreted from TEM Survey data

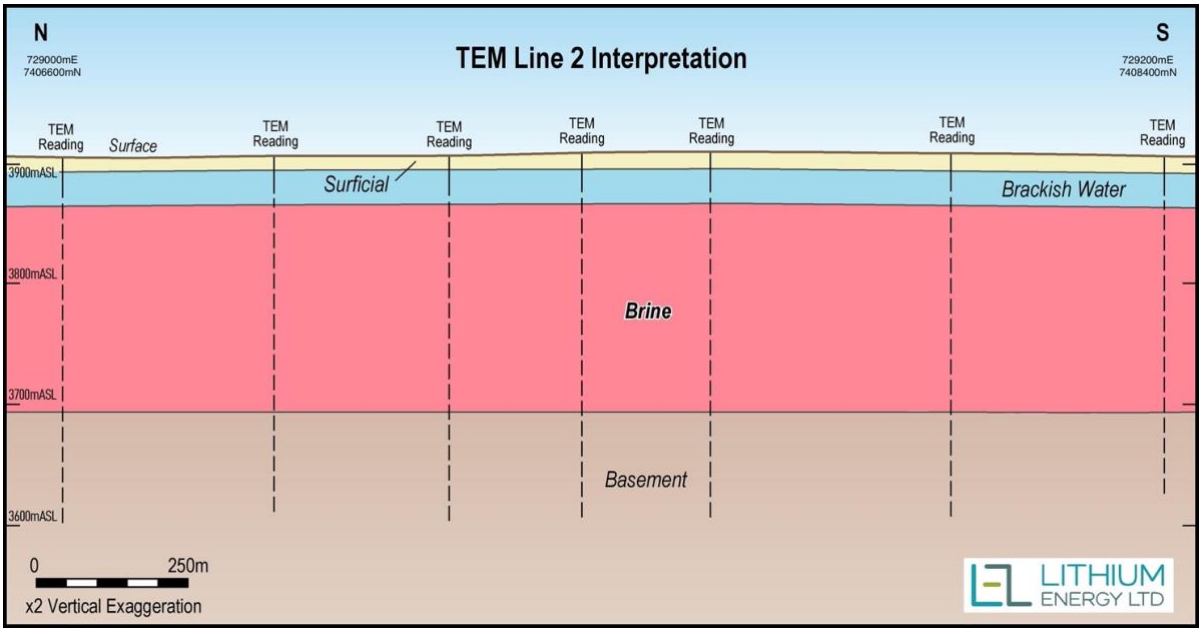

Figure 4: Cross-section along (North-South) TEM Survey Line 2 across Mario Angel concession, interpreted from Passive Seismic and TEM Survey data

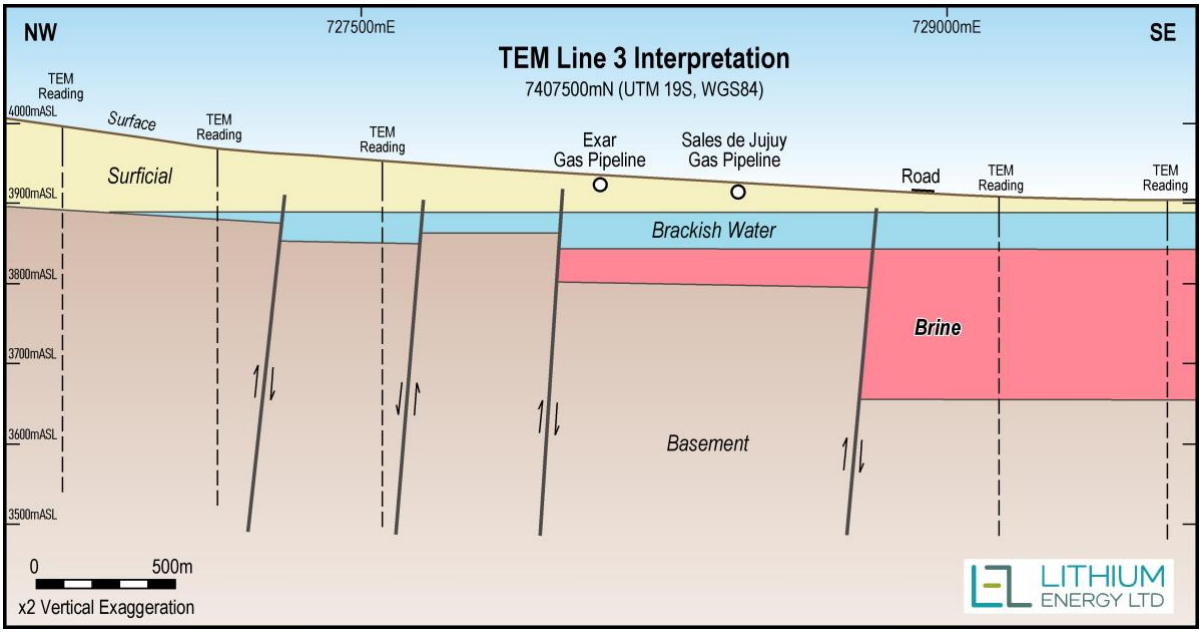

Figure 5: Cross-section along (West-East) TEM Survey Line 3 across Mario Angel concession, interpreted from Passive Seismic and TEM Survey data

Lithium Energy is highly encouraged by these early results, as they support the conceptual geological model for Solaroz, which was principally based upon previous exploration undertaken by Allkem on concessions neighbouring the Solaroz concession areas by Allkem. Lithium Energy's conceptual geological model posits that the geological structures which host the lithium rich brines which are currently being mined by Allkem at the Olaroz Salar, extend under the Solaroz concession area (refer Figure 6) .

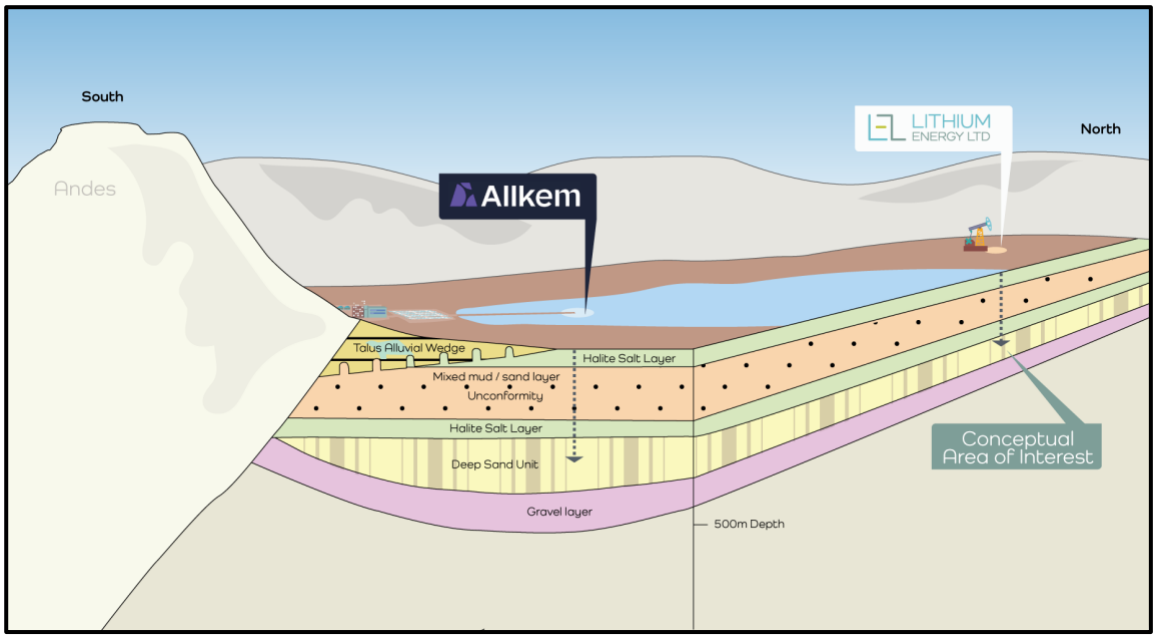

Figure 6: Lithium Energy's Conceptual Geological Model for Solaroz

Furthermore, the results interpreted to date are consistent with and support Lithium Energy's Exploration Target for Solaroz referred to above.

Lithium Energy will continue to collect and interpret the passive seismic and TEM survey data across the remainder of the Solaroz concession area, to build up a complete three-dimensional model of the potentially lithium rich conductive brines at Solaroz.

Drilling Set to Commence

The interpretation of the geophysics data collected to date has enabled Lithium Energy to now finalise the optimal locations for the commencement of its planned 5,000 metre drilling programme.

The initial drilling programme will comprise a combination of diamond and rotary holes, to be undertaken by a selected drilling contractor the Company has secured and with extensive experience in the Olaroz Salar.

Site preparation works for commencement of drilling are currently underway, with the drilling rig expected to be mobilised to site shortly.

This drilling will test the extent and grades of lithium mineralisation, porosity and flow rates across the layer(s) of conductive brines which have been identified by the geophysics. This information will then be interpreted to develop a potential maiden JORC Mineral Resource for Solaroz.

AUTHORISED FOR RELEASE - FOR FURTHER INFORMATION:

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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 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.

JORC CODE COMPETENT PERSON'S STATEMENTS

The information in this document that relates to Exploration Results (in relation to the passive seismic and TEM geophysics work) are based on, and fairly represents, information and supporting documentation prepared by Mr Peter Smith, BSc (Geophysics) (Sydney) AIG ASEG. Mr Smith is a Member of the Australian Institute of Geoscientists (**AIG**) and an Executive Director of the Company. 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the **JORC Code**). Mr Smith consents to the inclusion in this document of the matters based on his information in the form and context in which it appears.

The information in this document that relates to Exploration Targets and other Exploration Results in relation to the Solaroz Lithium Project is extracted from the following ASX market announcements made by Lithium Energy dated:

- 8 June 2021 entitled "Substantial Lithium Exploration Target Identified at the Solaroz Project in Argentina"
- 26 May 2021 entitled "Geophysical Data Supports Highly Encouraging Exploration Potential for Solaroz}"

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 the Australian Institute of Geoscientists (**AIG**) and a Director of the Company. 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (the **JORC Code**). 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.

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

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections)

Criteria	Explanation	Comments
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or 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 (e.g. 'reverse circulation drilling was used to obtain 1m samples from which 3kg was pulverised to produce a 30g 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 (e.g. submarine nodules) may warrant disclosure of detailed information.*	Sampling was carried out with TROMINO® Passive Seismic equipment. TROMINO® is a small (1 dm^3, < 1 kg) all-in-one instrument, equipped with: • 3 velocimetric channels (adjustable dynamic range) • 3 accelerometric channels • 1 analog channel • GPS receiver • built-in radio transmitter/receiver (for synchronization among different units) • radio triggering system (for MASW surveys and similar) TROMINO® works in the [0.1, 1024] Hz range. Samples were collected for a 20 minute duration at station spacing of 250m. Transient Electromagnetic Surveys **(TEM**) were carried out by Quantec Geophysics, based out of Mendosa, Argentina: • Transmitter: Geonics Protem. • Receiver: EM37 Receiver, with 3 Component Coil sensor. • Method: Soundings (300m loops) • Station spacing approx. 400m
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method etc.).*	The Company has yet to conduct any drilling at Solaroz and therefore, no drilling techniques are reported.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed* • *Measurements 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.*	The Company has yet to conduct any drilling at Solaroz and therefore, no drill sample recovery data are reported.
Logging	• *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*	The TROMINO® Passive Seismic equipment works in the [0.1, 1024] Hz range. The TEM equipment was operated at 2.5Hz and 25 Hz.

Criteria	Explanation	Comments
	quantitative in nature. Core (or costean, channel etc.) photography. • *The total length and percentage of the relevant intersections logged*	
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffles, tube sampled, rotary split, etc. and whether sampled wet or dry.* • *For all sample types, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub- sampling 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.*	No sub sampling was carried out as the Passive Seismic method is not invasive and is passive in nature. The TEM data has been bundled into standard bin widths, as is the default with the ProTEM receiver.
Quality of assay data and laboratory tests	• *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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	Individual Passive Seismic readings are continuous in nature, at up to 1000Hz, and can be statistically processed to optimise the data quality. The TEM is a result of stacking on the individual readings per station. The data quality noted by the field technicians is of a high quality giving confidence in the collected data.
Verification of sampling and assaying	• *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 (physically and electronic) protocols.* • *Discuss any adjustment to assay data.*	The TROMINO® Passive Seismic equipment is equipped with internal and external GPS and is processed by external consultants proficient in passive seismic data collection and processing. Repeats and cross line correlation have been used to assist in sampling verification and QAQC.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resources estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	The TROMINO® Passive Seismic equipment is equipped with internal and external GPS, and is processed to present the data in POSGAR Argentine Zone 3 co-ordinates (a local Argentinian Grid format similar to a UTM grid). The TEM equipment was located in the field by GPS, and co-ordinated with the WGS UTM Zone 19S co-ordinate system.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of*	Passive Seismic data spacing is on lines selected nominally perpendicular to known Geology, and at station spacing of 250m. TEM data spacing is on lines selected nominally

Criteria	Explanation	Comments
	geological and grade continuity appropriate for the Mineral Reserve and Ore Reserve estimation procedure(s) and classifications applied. • *Whether sample compositing has been applied.*	perpendicular to known Geology, and at station spacing of 250m.
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.*	Passive Seismic data spacing is on lines selected nominally perpendicular to known Geology, and at station spacing of 250m. TEM data spacing is on lines selected nominally perpendicular to known Geology, and at station spacing of 250m.
Sample security	• *The measures taken to ensure sample security.*	Data collection is stored digitally, and uploaded daily to the external consultant for processing.
Audits or reviews	• *The results of and audits or reviews of sampling techniques and data.*	No external audit or review of the data has taken place

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section)

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 interest, 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.*	The Solaroz Lithium Brine Project comprises 8 concessions totalling approximately 12,000 hectares (**Solaroz Concessions**) located in the Jujuy Province in northern Argentina: (1) Mario Angel – File N°1707-S-2011 (542.92ha) (2) Payo – File N°1514-M-2010 (987.62ha) (3) Payo 1 – File N°1516-M-2010 (1973.24ha) (4) Payo 2 – File N°1515-M-2010 (2192.63ha) (5) Chico I – File N°1229-M-2009 (835.24ha) (6) Chico V – File N°1312-M-2009 (1800ha) (7) Chico VI – File N°1313-M-2009 (1400.18ha) (8) Silvia Irene, File N°1706-S-2011 (2348.13ha) The Company has a 90% shareholding in Solaroz S.A. (formerly Hananta S.A.), an Argentine company which, in turn, has an option to acquire the Solaroz Concessions from the local owner – refer to Sections 8.1, 15.3 and 15.4 of the Company's Prospectus (dated 30 March 2021) for further details.
Exploration done by other parties	• *Acknowledgement and appraisal of exploration by other parties.*	Extensive open file drilling, geochemistry, geophysical and development work from exploration to development, and operating mine have been carried out by Allkem Limited (ASX/TSX:AKE) (formerly Orocobre Limited) (**Allkem** or **Orocobre**) and Lithium Americas Corporation (TSX/NYSE:LAC) (**Lithium Americas**). The Company has reviewed the relevant open file published documents and images relating to the Salara de Olaroz and from this review made its

Criteria	Explanation	Comments
		interpretations relating to the Company's Solaroz Concessions. The published data upon which the geological model for the Company's Solaroz Project has been developed includes the following works: • Houston, J., Gunn, M., Technical Report on the Salar De Olaroz Lithium-Potash Project, Jujuy Province, Argentina. NI 43-101 report prepared for Orocobre Limited, 13 May 2011 • Orocobre Limited ASX/TSX Announcement dated 23 October 2014 entitled "Olaroz Project - Large Exploration Target Defined Beneath Current Resource" • Reidel, F., Technical Report on Cauchari JV Project – Updated Mineral Resource Estimate, prepared for Advantage Lithium Corporation, 19 April 2019 • Orocobre Limited ASX/TSX Announcement dated 10 January 2019 entitled "Cauchari Drilling Update – Phase III Drilling Complete" • Burga, E. et al, Technical Report - Updated Feasibility Study and Mineral Reserve Estimation to support 40,000 tpa Lithium Carbonate Production at the Cauchari-Olaroz Salars, Jujuy Province, Argentina, prepared for Lithium Americas Corporation, 30 September 2020 • Salfity Geological Consultants Map for Salar de Olaroz
Geology	• *Deposit type, geological settings and style of mineralisation.*	The Salar de Olaroz originated as a structurally bounded, closed basin during the late Paleogene-Early Neogene. During much of the Miocene it appears to have slowly filled with medium to coarse grained alluvial fans and talus slopes eroded from the surrounding mountain ranges. As accommodation space was filled the sediments became progressively finer grained, braidplain, sandflat, playa and fluvial architectures are noted in the Upper Miocene and Pliocene. As the climate became more arid during the Pliocene evaporitic deposits first appeared. Normal faulting created additional accommodation space probably initiated at this time too. The lowest drilled sediments indicate an arid climate with abundant halite. These Units are probably Pleistocene in age and are likely contiguous with the lowest drilled and reported sediments in the Salar de Olaroz originated as a structurally bounded, closed basin during the late Paleogene-Early Neogene. During much of the Miocene it appears to have slowly filled with medium to coarse grained alluvial fans and talus slopes eroded from the surrounding mountain ranges. As accommodation space was filled the sediments became progressively finer grained, braidplain, sandflat, playa and fluvial architectures are noted in the Upper Miocene and Pliocene. As the climate became more arid during the Pliocene evaporitic deposits first appeared. Normal

Criteria	Explanation	Comments
		faulting created additional accommodation space probably initiated at this time too. The lowest drilled sediments indicate an arid climate with abundant halite. These Units are probably Pleistocene in age and are likely contiguous with the lowest drilled and reported sediments in the Salar de Cauchari to the south, suggesting the two basins operated as a continuous hydrologic entity at that stage. Succeeding Units suggest continued subsidence in the center of the basin, with a climate that was variable, but never as arid as during period dominated by the 'Deep Sand Unit' and abundant Halite development. Influx of water and sediment is primarily from the Rosario catchment at the north of Salar de Olaroz. At depth a thick highly porous sandstone aquifer has been intersected in both the Salar de Cauchari (by Lithium Americas) and the Salar de Olaroz (by Orocobre). Due to its depth the aquifer has only been intersected in a few holes, as of the 23 October 2014 Orocobre announcement. The significance of the 'Deep Sand Unit' is that "Sands of this type have free draining porosity of between 20 and 25% based on previous testwork, and the sand unit could hold significant volumes of lithium-bearing brine which could be added to the resource base by future drilling" (per Orocobre's 23 October 2014 announcement).

Drill hole Information	• *A summary of all information material for 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) and 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.*
		No drilling results are being presented. The Company has yet to conduct any drilling at Solaroz and therefore, no drillhole information is reported.

Data aggregation methods	• *In reporting Exploration results, weighing averaging techniques, maximum and/or minimum grade truncations (e.g. 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 Company has yet to conduct any brine or core sampling at Solaroz and no data aggregation has taken place and hence no aggregation methods have been carried out. Elemental lithium has been converted to Lithium Carbonate Equivalent (**LCE**) using a conversion factor of 5.323 to convert Li to Li_2CO_3); reporting lithium values in LCE units is a standard industry practice.

Criteria	Explanation	Comments
	• *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 (e.g. 'down hole length, true width not known')*	The interpretations made by the Company are conceptual in nature. The Company has yet to conduct any drilling and/or sampling of existing well infrastructure at Solaroz and hence geometry and intersection qualifications of open file information cannot be made or validated.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts would be included for any significant discovery being reported. These should include, but not be limited too plan view of drill hole collar locations and appropriate sectional views.*	The Company has yet to conduct any drilling or brine or core sampling at Solaroz hence and no plans or cross section representations of drilling have been reported. The TEM survey lines undertaken across the Solaroz concessions are identified in Figure 1. A cross-section of TEM Survey Line 11 Is in Figure 2. Interpreted cross-sections of TEM Survey Lines 11, 2 and 3 are presented in Figures 3, 4 and 5 respectively (with appropriate scale bars).
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.*	Historical and open file reports have been collated and are consistent across numerous companies and the Company has no reason to doubt the balanced reporting of the various technical open file reports.
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 containing substances.*	As part of the review of exploration results in the Olaroz Salar, the Company has analysed a number of Gravity and AMT surveys conducted by Orocobre, some of which were undertaken over or closely adjacent to the Solaroz Concessions. The proximity of these surveys has been very useful and highly encouraging for the Company to develop in greater detail an exploration outline for the Solaroz Concessions. Figure 6 outlines the location of the Solaroz Concessions relative to the historical geophysical surveys that have been conducted by Orocobre. The Gravity Line surveys undertaken by Orocobre were conducted principally to determine the depth below surface to the basement rock in the Olaroz Salar, which practically sets the lowest depth limit to which lithium-rich brines could be encountered in the basin. The AMT Line surveys (which measure resistivity) were conducted to identify the interfaces between fresh water and the more conductive brines, facilitating the identification of the location and extent of potentially lithium-rich brines occurring above the basement rock.
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).*	A major exploration programme is underway comprising comprehensive geophysical surveys (passive seismic and TEM surveys) and a significant (rotary and diamond) drilling

Criteria	Explanation	Comments
	• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, providing this information is not commercially sensitive.*	programme, aimed at locating potentially lithium bearing brines of economic interest, obtaining preliminary information related to the hydrogeological and geochemical characteristics of the brine rich aquifer that comprises the Olaroz Salar underneath the Solaroz Concessions, and delineating a maiden JORC Mineral Resource. The passive seismic programmes across all the Solaroz Concessions will be used to determine the depth of the underlying basement rock (i.e. the theoretical limit of potential lithium mineralisation) underneath the concessions. Transient Electromagnetic geophysics (**TEM**) will seek to identify the location and thickness of potential lithium-hosting conductive brines underneath the Solaroz Concessions. The TEM survey will be followed by an exploration drilling campaign to assess the distribution and geochemistry of the brine and to obtain data related to basic physical parameters of the different hydrogeological units underneath the Solaroz Concessions. In addition to the above works, the Company will be undertaking an assessment of relevant mine economic criteria to assist in developing a pathway to the completion of feasibility study(s), including the delineation of a maiden JORC Mineral Resource.

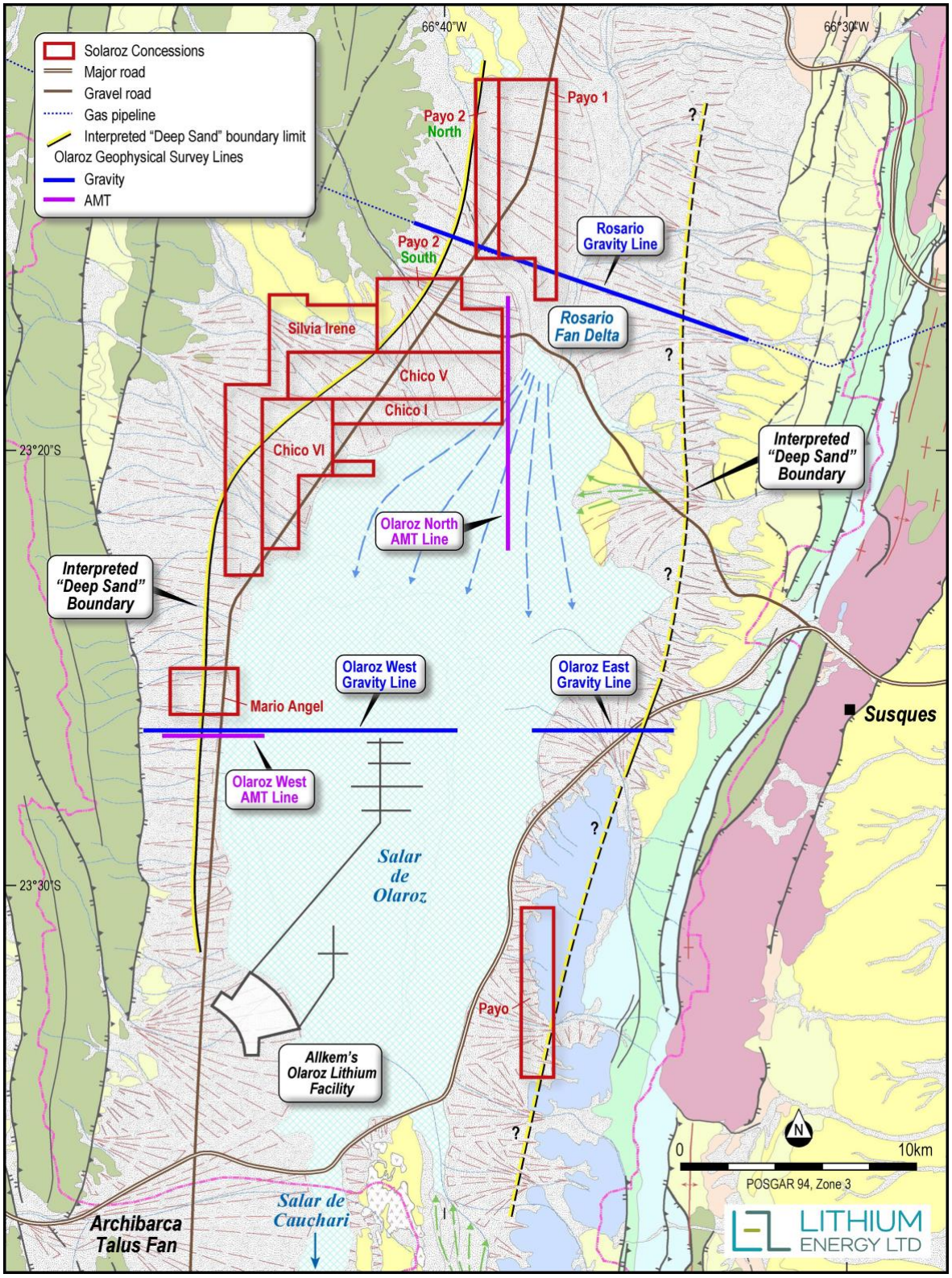

Figure 7: Geology of the Olaroz Salar with Location of the Solaroz Concessions and Location of Geophysical Surveys undertaken by Allkem Limited[3]

3 Source: Salfity Geological Consultants - www.salfitygeologicalconsultant.com