

NOTICE OF GENERAL MEETING AND EXPLANATORY STATEMENT

Time and date of Meeting:	12:00 noon (Perth time) on Wednesday, 15 January 2025
Place of Meeting:	Lithium Energy Limited Suite 1, Level 1 680 Murray Street West Perth, Western Australia

This document is important and requires your immediate attention. It is recommended that Shareholders read this document in full and if there is any matter that you do not understand, you should contact your licensed financial adviser, accountant, stockbroker, solicitor or other professional adviser for advice.

This Notice of General Meeting and Explanatory Statement is dated 16 December 2024.

A Proxy Form is enclosed or has otherwise been provided to you

Please read this Notice of Meeting carefully. If you are unable to attend the Meeting please complete and return the Proxy Form in accordance with the specified directions.

The Chairman of the Meeting will vote open proxies received in favour of Resolution 1 considered at the General Meeting.

The Chairman will call a poll on voting on Resolution 1.



ASX Code: LEL

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IMPORTANT NOTICES

Important information

This Notice of Meeting, Explanatory Statement and Proxy Form are all important documents and require your immediate attention. They should be read carefully in their entirety before you make a decision on how to vote at the Meeting. If you are in any doubt as to what you should do, please consult your financial or other professional adviser.

Defined terms

Capitalised terms not otherwise defined in this Notice of Meeting have the meaning given in the Glossary contained in the Explanatory Statement.

Purpose of Explanatory Statement

The Explanatory Statement, which forms part of the Notice of Meeting, contains an explanation of, and information about, the Proposed Amended Transaction to be considered at the General Meeting of Lithium Energy to be held on 15 January 2025. It is given to Shareholders to provide them with information that the Board believes to be material to Shareholders in deciding whether and how to vote on the Resolution. Shareholders should read the Explanatory Statement in full because individual sections do not give a comprehensive review of the Proposed Amended Transaction. If you are in doubt about what to do in relation to the Proposed Amended Transaction, you should consult your financial or other professional adviser.

The Explanatory Statement does not take into account the individual investment objectives, financial situation and needs of individual Shareholders or any other person. Accordingly, it should not be relied on solely in determining how to vote on the Resolution. Lithium Energy is not licensed to provide financial product advice in relation to Shares or any other financial products.

Disclaimer as to forward looking statements

This Notice of Meeting (which includes the Explanatory Statement and the Proxy Form) contains forward looking statements, including statements of current intention, statements of opinion and predictions as to possible future events. These forward looking statements are based on, among other things, the assumptions, expectations, estimates, objectives, plans and intentions of the Company.

Forward looking statements are subject to inherent risks and uncertainties. Although the Company believes that the expectations reflected in any forward looking statement included in this Notice of Meeting are reasonable, no assurance can be given that such expectations will prove to be correct. Actual events, results or outcomes may differ materially from the events, results or outcomes expressed or implied in any forward looking statement.

Except as required by applicable law or the Listing Rules, the Company does not undertake to update or revise these forward looking statements, nor any other statement whether written or oral, that may be made from time to time by or on behalf of the Company,

whether as a result of new information, future events or otherwise.

None of the Company (nor any of its officers, employees or advisers) or any other person named in, or involved in the preparation of, this Notice of Meeting, makes any representation or warranty (express or implied) as to the accuracy or likelihood or fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement, except to the extent required by law. You are cautioned not to place undue reliance on any forward looking statement.

The forward looking statements in this Notice of Meeting reflect views held only as at the date of this Notice of Meeting and may change due to future circumstances. Forward looking information is by its very nature subject to uncertainties and can be affected by changed circumstances and unexpected events, many of which are outside the control of the Directors. Any variation to the assumptions on which these forward looking statements have been prepared could be materially positive or negative to the actual performance of the Company.

Risk factors

Shareholders should note that whilst there are many potential benefits to them if the Proposed Amended Transaction proceeds, there are also a number of disadvantages or risk factors that will apply if the Resolution is passed and the Proposed Amended Transaction proceeds. Section 1.7 of the Explanatory Statement sets out some of these disadvantages and risk factors.

Effect of rounding

Certain figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Notice of Meeting may be subject to the effect of rounding. Accordingly, the actual calculation of these figures, amounts, percentages, prices, estimates, calculations of value and fractions may differ from the figures, amounts, percentages, prices, estimates, calculations of value and fractions set out in this Notice of Meeting.

Notice to persons outside Australia

This Notice of Meeting has been prepared in accordance with Australian laws, disclosure requirements and accounting standards. These laws, disclosure requirements and accounting standards may be different to those in other countries.

The distribution of this Notice of Meeting may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of this Notice of Meeting should inform themselves of, and observe, any such restrictions.

Authorisation

No person is authorised to give any information or make any representation in connection with the Proposed Amended Transaction, as it relates to the Resolution, which is not contained in this Notice of Meeting. Any information or representation not contained in this Notice of Meeting (other than to the extent that information has been provided by the Company), may not be relied on as having been authorised by the Company or the Board in connection with the Resolution.

Privacy

To assist the Company to conduct the Meeting, the Company may collect personal information including names, contact details and shareholdings of Shareholders and the names of persons appointed by Shareholders to act as proxy at the Meeting. Personal information of this nature may be disclosed by the Company to its Share Registry, print and mail service providers, advisers and agents of the Company for the purposes of implementing the Resolution.

Shareholders can contact the Share Registrar, Automic on their website: www.automic.com.au, telephone: 1300 288 664 (within Australia) or +61 2 9698 5414 (from overseas) or email: hello@automicgroup.com.au, if they have questions about their personal information.

Responsibility for information

The information contained in this Notice of Meeting has been prepared by the Company and is the responsibility of the Company.

Time

All references to time in the Explanatory Statement are references to Perth, Western Australia time unless otherwise stated.

ASX involvement

A copy of this Notice of Meeting has been lodged with ASX pursuant to the ASX Listing Rules. Neither ASX, nor any of its officers, takes any responsibility for the contents of this Notice of Meeting.

Date

The Explanatory Statement is dated 16 December 2024.

NOTICE OF GENERAL MEETING

Notice is given that a General Meeting of Shareholders of Lithium Energy Limited ABN 94 647 135 108 (ASX:LEL) (**Lithium Energy** or **LEL** or **Company**) will be held at Lithium Energy Limited, Suite 1, Level 1, 680 Murray Street, West Perth, Western Australia, at 12:00 noon (Perth time) on Wednesday, 15 January 2025 for the purpose of transacting the following business referred to in this Notice of Meeting.

The Explanatory Statement to this Notice of Meeting provides further details. The Company will update Shareholders if changing circumstances will impact the planning or arrangements for the Meeting by way of announcement on ASX and the details will also be made available on the Company's website at <https://lithiumenergy.com.au/>.

AGENDA

BUSINESS

Resolution 1 – Disposal of interests in the Solaroz Lithium Project under Amended Sale Agreement

To consider, and if thought fit, to pass the following as an ordinary resolution:

“That, for the purposes of ASX Listing Rule 11.2 and for all other purposes, Shareholder approval is given for Lithium Energy, through its wholly owned subsidiary LEOPL, to give effect to the disposal of LEOPL's 90% interest in Solaroz (which owns the Solaroz Lithium Project), being the main undertaking of the Company, and the assignment of the Loan owed by Solaroz to LEOPL, to CNNET in accordance with the terms of the Amended Sale Agreement and as further described in the Explanatory Statement accompanying this Notice.”

Voting Exclusion Statement:

The Company will disregard any votes cast in favour of Resolution 1 by or on behalf of:

- (a) CNNET, CNGR, or any of their Associates; and
- (b) any other person who will obtain a material benefit as a result of the Proposed Amended Transaction (except such a benefit received by a Shareholder solely in its capacity as a Shareholder) or any Associate of such a person.

However, the Company will not disregard a vote cast in favour of Resolution 1 if:

- (a) it is cast by a person as proxy or attorney for a person who is otherwise entitled to vote on Resolution 1, in accordance with the directions given to the proxy or attorney to vote on Resolution 1 in that way;
- (b) it is cast by the Chairman as proxy or attorney for a person who is entitled to vote on Resolution 1, in accordance with a direction given to the Chairman to vote on Resolution 1 as the Chairman decides; or
- (c) it is cast by a Shareholder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary, provided that the following conditions are met:
 - (i) the beneficiary provides written confirmation to the Shareholder that the beneficiary is not excluded from voting on Resolution 1, and is not an Associate of a person excluded from voting, on Resolution 1; and
 - (ii) the Shareholder votes on Resolution 1 in accordance with directions given by the beneficiary to the Shareholder to vote in that way.

OTHER BUSINESS

To deal with any other business which may be brought forward in accordance with the Constitution and the Corporations Act.

Details of the definitions and abbreviations used in this Notice are set out in the Glossary to the Explanatory Statement.

BY ORDER OF THE BOARD,

A handwritten signature in black ink, appearing to read 'Victor Ho', is positioned above the printed name and title.

**Victor Ho
Company Secretary
LITHIUM ENERGY LIMITED**

16 December 2024

EXPLANATORY STATEMENT

This Explanatory Statement is intended to provide Shareholders with sufficient information to assess the merits of the Resolution contained in the accompanying Notice of Meeting. This Explanatory Statement is intended to be read in conjunction with the Notice of Meeting.

Shareholders should read the Explanatory Statement in full before deciding how to vote at the Meeting.

Certain abbreviations and other defined terms are used throughout this Explanatory Statement. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations are set out in the Glossary to the Explanatory Statement.

1. Resolution – Disposal of interests in the Solaroz Lithium Project

1.1. Background and overview of the Proposed Amended Transaction

As announced to ASX on 30 April 2024, the Company and LEOPL entered into a Share Sale Agreement (dated 26 April 2024) (**Original Sale Agreement**) with CNET Netherland New Energy Technology B.V. (**CNET**), a subsidiary of CNET Advanced Material Co. Ltd. (Shenzhen Stock Exchange Code: 300919) (**CNET**), in respect of the sale of the Company's 90% interest in the Argentinian company, Solaroz S.A. (**Solaroz**) (which owns the Solaroz Lithium Project) for consideration totalling US\$63 million (~A\$97 million¹) cash, which includes the assignment of the Loan owed by Solaroz to Lithium Energy (**Proposed Transaction**).²

In connection with the Proposed Transaction under the Original Sale Agreement, CNET has paid a US\$1.8 million (~A\$2.7 million) deposit to LEOPL (received on 6 May 2024), with the balance of the US\$61.2 million (~A\$94.1 million) consideration payable by CNET as follows:

- (a) US\$53.7 million (~A\$82.6 million), payable at completion;
- (b) US\$3 million (~A\$4.6 million) to be transferred to a joint escrow account held for the benefit of both Lithium Energy and CNET for a period of 2 years following the date of completion, to serve as security for Lithium Energy's performance under the Original Sale Agreement, after which it will be released to Lithium Energy; and
- (c) US\$4.5 million (~A\$6.9 million) deferred consideration payable by CNET if the Benchmark Lithium Carbonate Price exceeds US\$23,000/tonne (averaged over any 4 month period in the 12 months following completion).

Completion under the Original Sale Agreement was to occur after the satisfaction (or waiver, as applicable) of a number of conditions precedent under the Solaroz Sale agreement (**Conditions**) on or before 24 December 2024³, which is able to be extended by a further 60 days and is required to be satisfied (or waived) in any event by 25 April 2025 (being 12 months after the date of the Original Sale Agreement).

Whilst some of the Conditions have already been satisfied, including Lithium Energy shareholder approval⁴ and receipt by CNET/CNET of all necessary Chinese ODI (overseas direct investment) and foreign exchange control regulatory approvals⁵, several Conditions remain outstanding.

1 Based on an exchange rate of A\$1.00 : US\$0.65

2 Refer to LEL ASX Announcement dated 30 April 2024 titled "Sale of Solaroz Lithium Project for A\$97 Million"

3 Refer to LEL ASX Announcements dated 22 October 2024 titled "Timetable for Solaroz Sale Completion Extended by 60 Days"

4 Refer to LEL ASX Announcement dated 8 August 2024 titled "Results of General Meeting" and LEL's Notice of General Meeting, Explanatory Statement and Proxy Form dated and released on ASX on 3 July 2024

5 Refer to LEL ASX Announcement dated 3 June 2024 titled "Chinese Regulatory Approvals Secured by CNET to Acquire Solaroz Lithium Project"

The material Conditions still outstanding are:

- (a) CNNET's registration as a foreign company in Argentina (required to receive transfer of shares in Solaroz) (**Foreign Company Registration Condition**); and
- (b) receipt of environmental and concession related approvals relating to the Solaroz Project.

As announced to ASX on 6 December 2024, the Company, LEOPL and CNNET have entered into a deed of amendment and restatement (the **Deed of Amendment**) which amends and restates the Original Sale Agreement (now the **Amended Sale Agreement**).⁶ The Deed of Amendment is conditional only on Lithium Energy obtaining Shareholder approval for the Amended Sale Agreement under Listing Rule 11.2. Once this approval is obtained, the Deed of Amendment will be implemented such that the Amended Sale Agreement will take effect.

The Amended Sale Agreement is unconditional, meaning that the unsatisfied Conditions will be effectively waived. Separately, Lithium Energy and CNNET have agreed to waive the Foreign Company Registration Condition, with such waiver having taken effect upon execution of the Deed of Amendment.

Under the terms of the Amended Sale Agreement, the total cash Purchase Price of US\$63 million (~A\$97 million¹) remains unchanged but completion of the Proposed Transaction will now occur in two tranches:

- (a) **Tranche 1** – comprising the transfer of a 39.9% shareholding in Solaroz (with LEOPL retaining a 50.1% shareholding) and the assignment of a US\$12 million (~A\$18.5 million) Loan amount, to be completed on 24 April 2025 (**Tranche 1 Completion Date**); and
- (b) **Tranche 2** – comprising the transfer of the 50.1% balance of LEOPL's shareholding in Solaroz and the assignment of the balance of the outstanding Loan amount, to be completed on 9 January 2026 (**Tranche 2 Completion Date**)

(the **Proposed Amended Transaction**).

There are also changes to the deposit structure under the Amended Sale Agreement, as follows:

- (a) The US\$1.8 million (A\$2.713 million⁷) deposit (now known as the First Deposit) previously paid upon execution of the Original Sale Agreement (received in May 2024) is now fully non-refundable, immediately upon execution of the Amended Sale Agreement (whereas previously, it was refundable if the Original Sale Agreement was terminated and completion did not occur for any reason); and
- (b) CNNET will pay a further Second Deposit of US\$6 million (~A\$9.2 million) subject to and after receipt of Shareholder approval for the Amended Sale Agreement – this Second Deposit is refundable on termination of the Amended Sale Agreement only in limited circumstances relating to the insolvency of LEOPL and breach of LEOPL's (seller) warranties having a material adverse effect of more than US\$5 million (~A\$7.7 million).

The US\$55.2 million (~A\$85 million) balance of the total Purchase Price is payable as follows:

- (d) US\$26 million (A\$40 million) (**Tranche 1 Amount**) payable on the Tranche 1 Completion Date (24 April 2025);
- (e) US\$21.7 million (~A\$33.4 million) (**Tranche 2 Amount**) payable on the Tranche 2 Completion Date (9 January 2026);
- (f) US\$3 million (~A\$4.6 million) (**Escrow Account Amount**) to be transferred to a joint escrow account on the Tranche 2 Completion Date and held for the benefit of both LEOPL and CNNET for a period of one year, to serve as security for LEOPL's performance under the Amended Sale Agreement, after which it will be released to LEOPL (on 8 January 2027); and

⁶ Refer to LEL ASX Announcement dated 6 December 2024 titled "Amended Terms of A\$97 Million Sale of Solaroz Lithium Project"

⁷ The carrying value for accounting purposes as at 30 June 2024

- (g) US\$4.5 million (~A\$6.9 million) (**Deferred Consideration**) payable if the Benchmark Lithium Carbonate Price exceeds US\$23,000/tonne averaged over any 4-month period beginning from the Tranche 1 Completion Date and ending 12 months after the Tranche 2 Completion Date (ie. between 25 April 2025 and 8 January 2027).

Summaries of the Deed of Amendment and the Amended Sale Agreement are set out in Annexure B to this Notice of Meeting.

1.2. Background to application of the ASX Listing Rules

ASX Listing Rule 11.2 requires a listed company to obtain the approval of its Shareholders for a disposal of its main undertaking. ASX has previously advised that Listing Rule 11.2 applies to the Proposed Transaction as the Company's interest in the Solaroz Project constitutes its main undertaking.

On 8 August 2024, a general meeting of Lithium Energy Shareholders was held at which 98.9% of votes cast were voted in favour of a resolution to approve the Proposed Transaction (under the Original Sale Agreement) for the purposes of Listing Rule 11.2 and for all other purposes.⁴

In light of the changes under the Amended Sale Agreement, the Directors have resolved to seek a fresh Shareholder approval for the Proposed Amended Transaction at this General Meeting.

1.3. Background to the Company's Suspension from ASX

As announced to ASX on 25 October 2024⁸, ASX determined that the Company did not have a sufficient level of operations to warrant the continued quotation of its securities in the context of the Company having entered into the Original Sale Agreement to dispose of its main undertaking (being the Solaroz Project) and suspended the Company's securities from trading on ASX.⁹

The Company expects that the suspension will remain in place until:

- (a) the Company has satisfied ASX that it has a sufficient level of operations to justify the reinstatement of quotation of its shares on ASX; or
- (b) the Company has re-complied with Chapters 1 and 2 of the ASX Listing Rules, which will involve, amongst other matters, the issue of a prospectus and making a fresh application for admission to ASX – likely in conjunction with an acquisition of a new resource project(s) by the Company.

1.4. Rationale for the Proposed Amended Transaction

Given prevailing market conditions and the significant financial requirements to bring the Solaroz Lithium Project into production, the Board continues to believe that it is in the best interests of Shareholders to dispose of its interest in the Solaroz Lithium Project.

The Company notes the significant decline in the market price of lithium products over the 18 months preceding and subsequent to the date of the Original Sale Agreement, the significant financial costs required to advance the Solaroz Lithium Project into production relative to the available capital of the Company (and the dilutory impacts of likely future equity raisings), the ability of the Company to raise project finance and the time horizon associated with advancing the Solaroz Lithium Project through completion of feasibility studies and the commencement of mining and production to achieve economic production rates. Taking these factors into account, the Board determined that it was in the best interests of Lithium Energy to enter into the Original Sale Agreement and remains in the best interests of the Company to enter into the Amended Sale Agreement in respect of the Proposed Amended Transaction.

⁸ Refer to LEL Announcement dated 25 October 2024 titled "ASX Decision to Suspend Trading in LEL Securities"

⁹ Refer to LEL ASX Announcement dated 25 October 2024 titled "Suspension from Quotation"

Entry into the Deed of Amendment and the Amended Sale Agreement taking effect will remove significant uncertainty associated with completion of the Original Sale Agreement, in particular because:

- (a) CNNET has agreed to waive the Foreign Company Registration Condition upon execution of the Deed of Amendment; and
- (b) the Amended Sale Agreement is unconditional, meaning that after the receipt of shareholder approval at the General Meeting, the Proposed Amended Transaction will be immediately binding upon the Company and CNNET.

The First Deposit (of US\$1.8 million (A\$2.713 million) received in May 2024) is now fully non-refundable (upon execution of the Deed of Amendment), meaning the deposit is no longer recognised as a liability owed to CNNET (to be applied towards CNNET's payment of the Purchase Price at Completion).

The Company has also secured a significant Second Deposit of US\$6 million (A\$9.2 million¹) under the Amended Sale Agreement, which is due and payable after receipt of Lithium Energy Shareholder approval at this General Meeting and is non-refundable save where the Amended Sale Agreement has been terminated due to the insolvency of LEOPL or where LEOPL has breached a seller's warranty having a material adverse effect of more than US\$5 million (A\$7.7 million¹). The receipt of the Second Deposit ahead of the Tranche 1 Completion Date (in April 2025) will provide a significant cash contribution to the working capital of the Company, notwithstanding that the Company will recognise the Second Deposit as a liability to be applied towards CNNET's payment of the Purchase Price in respect of Tranche 1 Completion.

Additionally, the Company has secured a US\$15 million (A\$23.1 million¹) commitment from CNNET to fund the development of the Solaroz Project from 1 January 2025 under the Amended Sale Agreement. This will provide significant impetus to maintain the development momentum at the Solaroz Project through 2025. Please refer to Section 1.8.2 for further details.

The Company notes that the total cash consideration under the Original Sale Agreement/Amended Sale Agreement of ~A\$97 million (US\$63 million converted at A\$1.00 : US\$0.65) is equivalent to approximately A\$0.865 per Share, based on (undiluted¹⁰) 112,001,569 Shares on issue and excluding costs and taxes. This A\$0.865 gross value per Share is at a significant premium to Lithium Energy's current market capitalisation (A\$41.5 million at \$0.37 per Share as at 25 October 2024, prior to the Company's suspension from ASX) and represents a:

- 134% premium to the last closing price of \$0.37 (on 25 October 2024);
- 150% premium to the 10 day VWAP (to 25 October 2024);
- 141% premium to the one month VWAP (to 25 October 2024);
- 147% premium to the 3 month VWAP (to 25 October 2024);
- 143% premium to the 6 month VWAP (to 25 October 2024); and
- 333% premium to the \$0.20 initial public offering issue price in May 2021.

1.5. Overview of the buyer in respect of the Proposed Transaction/Proposed Amended Transaction

The buyer under the Original Sale Agreement/Amended Sale Agreement, CNGR Netherlands New Energy Technology B.V. (CNNET), is a subsidiary of CNGR Advanced Materials Co Ltd (CNGR).

¹⁰ The Company currently has 19,000,000 unlisted options on issue with exercise prices ranging from \$0.935 to \$1.595 and option terms expiring from 15 February 2025 to 10 August 2026 – refer to LEL ASX Announcement dated 2 December 2024 titled "Notification of Cessation of Securities – LEL"

CNGR was established in China in September 2014 and is a major producer of precursor cathode active materials used by many leading companies in the battery materials supply chain. CNGR products are used in consumer electronics, electric vehicles (EV) and energy storage systems (ESS). CNGR aims to build a global integrated structure with vertical integration of raw ore smelting, raw material refining, precursor production and advanced battery material recycling to serve global customers.

CNGR is listed on the Shenzhen Stock Exchange (SZSE: 300919) in China and has a current market capitalisation of approximately CNY 38 billion (~A\$8 billion).

Lithium Energy is satisfied in relation to CNET's financial capacity to Complete the acquisition of Solaroz under the Original Sale Agreement/Amended Sale Agreement, after having completed due diligence and having secured a guarantee and indemnity from CNGR.

1.6. Financial effects of Proposed Amended Transaction

Lithium Energy's financial position before (as at 30 June 2024) and (pro-forma) after an assumed Tranche 1 Completion and Tranche 2 Completion is set out in Annexure C.

There is no change to the capital structure of Lithium Energy as a consequence of Completion.

1.7. Advantages and disadvantages of the Proposed Amended Transaction

The Directors consider that the following non-exhaustive list of advantages and disadvantages may be relevant to a Shareholder's decision on how to vote on Resolution 1:

Advantages	Disadvantages
<p><i>Disposal of interests in the Solaroz Lithium Project</i></p> <p>(a) Refer to the benefits outlined in Section 1.4 (Rationale for the Proposed Amended Transaction) of the Explanatory Statement.</p> <p>(b) Lithium Energy will realise certain value in cash over completion of Tranche 1 in April 2025 and completion of Tranche 2 in January 2026 (save for the Deferred Consideration) for its investment in Solaroz</p> <p>(c) Lithium Energy will avoid incurring significant capital expenditure and exposure to development and market risks (associated with Lithium prices and foreign exchange rates) associated with the development of the Solaroz Lithium Project into production.</p> <p>(d) Lithium Energy shareholders will not be required to provide additional share capital to fund the development of the Solaroz Lithium Project into production or otherwise risk a dilution of their shareholding interest in the Company if they choose not to participate in one or more future capital raisings.</p>	<p><i>Disposal of interests in the Solaroz Lithium Project</i></p> <p>(a) Lithium Energy will be disposing of its ownership of Solaroz and will no longer be exposed to the Solaroz Lithium Project and potential lithium production in Argentina. These changes may not align with the investment objectives or risk profile preferences of Shareholders.</p> <p>(b) Lithium Energy will not be able to realise potential future operating revenues attributable to the Solaroz Lithium Project (notwithstanding that significant capital expenditure and working capital would be required to bring the Solaroz Lithium Project into production).</p> <p>(c) Shareholders will forgo the opportunity to participate in any upside associated with the Solaroz Lithium Project.</p> <p>(d) Following Completion, Lithium Energy will forgo the opportunity to potentially dispose of Solaroz on superior terms (than that negotiated with CNET under the Original Sale Agreement/Amended Sale Agreement) in the foreseeable future.</p>

Advantages	Disadvantages
<p>(e) The Company will avoid the risks normally associated with a significant capital raising or raisings that will likely be required to fund the development of the Solaroz Lithium Project into production.</p> <p>(f) The disposal of Solaroz provides an opportunity for Lithium Energy to remove the risks associated with the Solaroz Lithium Project, including but not limited to exploration, resource estimation, feasibility and development, commodity pricing and technology, future funding, foreign jurisdiction, foreign exchange, access, regulatory, environmental and climate policies.</p> <p>(g) Lithium Energy’s net assets and total liabilities position will be significantly improved by the cash injection from the proceeds of the Proposed Amended Transaction.</p>	<p>(e) As a consequence of the Company being regarded by the ASX as having disposed of its main undertaking pursuant to ASX Listing Rule 11.2, the Company has been suspended from the ASX on 25 October 2024. The Company will remain suspended until it undertakes an acquisition and re-complies with Chapters 1 and 2 of the ASX Listing Rules (which will involve, amongst other matters, the issue of a prospectus and making a fresh application for admission to ASX). There is a risk that the Company may not be reinstated to ASX (for a significant duration or if at all) and Shareholders will lose the opportunity to sell their Shares on-market on ASX.</p>
<p><i>The Proposed Amended Transaction</i></p>	<p><i>The Proposed Amended Transaction</i></p>
<p>(h) The Proposed Amended Transaction will remove significant uncertainty associated with completion of the Original Sale Agreement.</p> <p>(i) CNNET has agreed to waive the Foreign Company Registration Condition upon execution of the Deed of Amendment, with the remaining conditions precedent to the Original Sale Agreement being regulatory conditions or conditions in the control of the Company; and</p> <p>(j) The Amended Sale Agreement is unconditional, meaning that after the receipt of shareholder approval at the General Meeting, the Proposed Amended Transaction will be immediately binding upon the Company and CNNET.</p> <p>(k) The receipt of the Second Deposit ahead of the Tranche 1 Completion Date (in April 2025) will provide a significant cash contribution to the working capital of the Company, notwithstanding that the Company will recognise the Second Deposit as a liability to be applied towards CNNET’s payment of the Purchase Price in respect of Tranche 1 Completion</p>	<p>(f) The transaction will be completed in stages, such that the cash consideration to be received under the Proposed Amended Transaction will not be received in full until the Tranche 2 Completion Date in January 2026.</p> <p>(g) Shareholders will remain exposed to the Solaroz Lithium Project (subject to the terms of the Proposed Amended Transaction) and risks associated with completion of the Proposed Amended Transaction for a longer period of time until the Tranche 2 Completion Date in January 2026.</p>

1.8. Company intentions post-Completion

1.8.1. Use of proceeds

Under the terms of the Amended Sale Agreement, Lithium Energy is entitled to receive up to \$63 million (~A\$97 million¹) cash Purchase Price from CNNET, comprising the components outlined in Section 1.1 and also in Annexure B to this Notice of Meeting.

The sale proceeds from the Proposed Amended Transaction (net of any applicable tax and potential return of proceeds to Shareholders) is intended to be applied towards advancing Lithium Energy's future activities and business model (referred to in Section 1.8.2) and for working capital purposes.

The Proposed Amended Transaction will have taxation implications in Argentina and Australia – the Company is not presently able to advise the specific tax consequences arising from Completion of the Proposed Amended Transaction. Where appropriate and applicable, a provision for taxation will be estimated by the Company in the financial statements of Lithium Energy lodged on ASX following Completion.

1.8.2. Future activities and business model

Solaroz Project Development Program

Under the Amended Sale Agreement (and subject to receipt of Shareholder approval of Resolution 1), CNNET has agreed to provide up to US\$15 million funding for Solaroz from 1 January 2025 to the Tranche 2 Completion Date (9 January 2026), on the same terms as the Lithium Energy Loan to Solaroz (the **CNNET Loan**). A summary of the terms of the CNNET Loan is set out in Annexure B to this Notice of Meeting.

Lithium Energy and CNNET, through Solaroz, will undertake the next phases of exploration and evaluation at the Solaroz Project utilising the CNNET Loan after securing updated Environmental Impact Assessment (**EIA**) approvals in respect of the Solaroz Project concessions, which will include the following work programs:

- additional (including in-fill) drill holes are planned in the Central Block (Chico I, V and VI, Payo 2 South and Silvia Irene concessions), to improve the confidence in correlation of lithology, porosity and brine concentration between holes in the Central Block;
- drilling is planned to further evaluate the Northern Block (Payo 1 and Payo 2 North concessions);
- large diameter wells are planned to be drilled and installed on target areas for pump testing;
- hydrological studies will be undertaken to support groundwater modelling to define lithium brine extraction rates; and
- process test work (equivalent to metallurgical test work) will be undertaken on relevant lithium brine samples.

CNNET will be entitled to nominate one representative to the Solaroz Board upon the completion of Tranche 1, however the Solaroz Board will continue to comprise a majority of Lithium Energy representatives, until the completion of Tranche 2.

LEL, CNNET and Solaroz will consult in good faith to develop a detailed work plan and budget in relation to the above work programs following the receipt of updated EIA approvals. The US\$15 million CNNET Loan is expected to be sufficient to fund the proposed activities of the Solaroz Project until the Tranche 2 Completion Date.

Axon Graphite IPO

On 3 April 2024, Lithium Energy and NOVONIX Limited (ASX:NVX) (**NOVONIX**) announced on the ASX the proposed merger of their adjoining Burke and Mt Dromedary Queensland Natural Graphite Deposits into Lithium Energy's subsidiary, Axon Graphite Limited (proposed ASX Code: AXG) (**Axon Graphite** or **AXG**), which is proposing to undertake a A\$15 million to \$25 million initial public offering (**IPO**) and seek admission to ASX as a dedicated vertically-integrated mine to Battery Anode Material (**BAM**) product manufacturing company.¹¹

If Shareholders approve Resolution 1 and Completion occurs, Lithium Energy's future activities may depend in part on whether the Axon Graphite IPO is successful and the application of the ASX Listing Rules in relation to the lifting of the Company's suspension from and reinstatement to the ASX (as referred to in Section 1.3 (Background to the Company's Suspension from ASX) of the Explanatory Statement):

- (a) If the Axon Graphite IPO is successful:
- (i) Lithium Energy will consider the acquisition of battery mineral projects building upon the expertise developed in this sector by the Company, with a particular focus on lithium (brines and hard rock), copper, cobalt, vanadium, manganese and rare earth elements (**REE**). The Company will investigate the full spectrum of potential opportunities from grass roots exploration projects to advanced production or near production assets that present significant value accretive upside. If deemed suitable, the Company will also look to invest in related mineral commodities if they meet similar acceptable project metrics. The Company will prioritise projects located in Australia and North and South America.

In this scenario, the Company considers that ASX will require Lithium Energy to re-comply with Chapters 1 and 2 of the ASX Listing Rules, which will involve, amongst other matters, the issue of a prospectus and making a fresh application for admission to ASX. Accordingly, any material acquisition(s) will be subject to the Company's re-compliance with the ASX Listing Rules.
 - (ii) The Company will also consider returning part of the (net after-tax) sale proceeds from the sale of the Solaroz Project to shareholders, subject to an assessment of the taxation consequences (to Lithium Energy and the Company's shareholders) and the quantum of funds required to secure and develop the Company's new mineral projects.
 - (iii) The Company will retain a 50 million cornerstone equity shareholding in Axon Graphite (comprising between 22.2% to 28.6% of Axon Graphite, depending on the final quantum of funds raised under the IPO) with such shareholding likely to be subject to a 2 year escrow period as required under ASX Listing Rules
- (b) If the Axon Graphite IPO has not been successful in raising the funds required under the IPO:
- (i) Lithium Energy will apply part of the net sale proceeds from the sale of the Solaroz Project to advance the development of its own Burke and Corella Graphite Projects in Queensland to create a vertically-integrated mine to BAM manufacturing facility in Queensland, as was originally contemplated prior to entering into the agreement with NOVONIX to proceed with the Axon Graphite IPO.

¹¹ Refer to LEL ASX Announcements dated 10 September 2024 titled "Axon Graphite Update - Mt Dromedary Graphite Mineral Resources Review", 26 July 2024 titled "Update on Axon Graphite IPO – Details of Board and CEO", 16 May 2024 titled "Update on Merger of Graphite Assets and Axon Graphite Limited IPO" and 3 April 2024 titled "Merger of Lithium Energy and NOVONIX Natural Graphite Assets and Proposed Axon Graphite Limited Spin-Out and IPO"

In this scenario, the Company will make submissions to the ASX to seek a reinstatement to quotation of its securities (pursuant to ASX Listing Rule 12.1) on the basis that the advancement of the Burke and Corella Graphite Projects constitutes a sufficient level of operations to support reinstatement, without the Company having to re-comply with Chapters 1 and 2 of the ASX Listing Rules.

- (ii) The Company will also consider returning part of the (net after-tax) sale proceeds from the sale of the Solaroz Project to shareholders, subject to an assessment of the taxation consequences (to Lithium Energy and the Company's shareholders) and the quantum of funds required to secure and develop the Company's new mineral projects.

New Resource Projects

As referred to in Section 1.3, the Company's securities have been suspended from ASX since 25 October 2024 and one avenue for reinstatement to ASX is for the Company to re-comply with Chapters 1 and 2 of the ASX Listing Rules, which will involve, amongst other matters, the issue of a prospectus and making a fresh application for admission to ASX, in conjunction with an acquisition of a new resource project(s) by the Company.

To this potential end, the Company will investigate and potentially undertake (where appropriate) investment opportunities principally in the battery mineral projects sector in Australia and overseas – the Board has considerable experience in the exploitation of resource projects and Lithium Energy will pursue investments in battery minerals/commodities the Board feels is appropriate for mineral exploration, evaluation and development.

1.8.3. Corporate group structure

Lithium Energy's current material corporate group structure is set out in Annexure A.

Upon Completion of the Proposed Amended Transaction, Lithium Energy will dispose of its 90% interest in Solaroz.

Upon the successful completion of the Axon Graphite IPO, Lithium Energy will retain a 22.2% to 28.6% shareholding in Axon Graphite.

1.8.4. Board and management

There are no proposed or intended changes to the composition of the Board following Completion of the Proposed Amended Transaction.

Lithium Energy may seek to appoint one or more managers to manage the development and commercial advancement of any new projects that may be acquired.

Subject to completion of the Axon Graphite IPO occurring, Lithium Energy's current General Manager, Projects, will transition to become Chief Executive Officer (CEO) of Axon Graphite.

1.9. Indicative timetable

An indicative timetable for Shareholder approval and Completion of the Proposed Amended Transaction is set out below:

Event	Date
Execution of the Deed of Amendment (incorporating the Amended Sale Agreement)	3 December 2024
Issue of the Notice of Meeting to Shareholders	16 December 2024
Deadline for receipt of Proxy Forms for Meeting	13 January 2025
Meeting to approve the Proposed Amended Transaction for the purposes of ASX Listing Rule 11.2	15 January 2025
Receipt of US\$6 million Second Deposit (should Shareholder approval be obtained)	16 January 2025
Expected completion of Tranche 1 and receipt of US\$26 million Tranche 1 Amount (should Shareholder approval be obtained)	24 April 2025
Expected completion of Tranche 2 and receipt of US\$21.7 million Tranche 2 Amount (should Shareholder approval be obtained)	10 January 2026
Expected Release of US\$3 million Escrow Account Amount from escrow (subject to there being no claims from CNNET arising under the Amended Sale Agreement)	8 January 2027
Potential receipt of US\$4.5 million Deferred Consideration if the Benchmark Lithium Carbonate Price exceeds US\$23,000/tonne averaged over any 4-month period	Between 25 April 2025 to 8 January 2027

Note: Some of the dates above (and references to those dates throughout the Notice of Meeting) are indicative only and are subject to (a) any changes that may be agreed between Lithium Energy and CNNET/CNGR or (b) any changes that may be agreed in consultation with the ASX. The Company will update Shareholders via the ASX market announcements platform and Lithium Energy's website as appropriate when the relevant events are reached, changed, or decisions made.

2. ORDINARY RESOLUTION 1 – APPROVE DISPOSAL OF SOLAROZ PROJECT**2.1. ASX Listing Rule 11.2**

As set out above, Lithium Energy is proposing to dispose of its interests in Solaroz Lithium Project by way of the sale of its 90% shareholding in Solaroz (which owns the Solaroz Lithium Project mineral concessions) and the assignment of a Loan owed by Solaroz to Lithium Energy, for consideration totalling US\$63 million (~A\$97 million) cash, in accordance with the terms of the Amended Sale Agreement.

ASX Listing Rule 11.2 requires a listed company to obtain the approval of its shareholders to a disposal of its main undertaking. The ASX has determined that the Proposed Amended Transaction involves a disposal of Lithium Energy's main undertaking for these purposes.

Resolution 1 seeks the required Shareholder approval to the Proposed Amended Transaction under and for the purposes of ASX Listing Rule 11.2.

The consequences and implications of the passing or failure to pass Resolution 1 is summarised in the table below (vis a vis the outcome of the Axon Graphite IPO):

Outcomes	If the Axon Graphite IPO has been successful	If the Axon Graphite IPO has not been successful
If Shareholders approve Resolution 1	Lithium Energy will be permitted to proceed to Complete the Proposed Amended Transaction, dispose of Solaroz in accordance with the terms of the Amended Sale Agreement and receive the total cash consideration of up to US\$63 million.	
	Lithium Energy may seek reinstatement to ASX by re-complying with Chapters 1 and 2 of the ASX Listing Rules, which will involve, amongst other matters, the issue of a prospectus and making a fresh application for admission to ASX, in conjunction with an acquisition of a suitable new resource project(s) by the Company.	
	Lithium Energy will consider the acquisition of battery mineral projects, with a particular focus on lithium (brines and hard rock), copper, cobalt, vanadium, manganese and REE primarily located in Australia and North and South America. The Company will consider potential opportunities from grass roots exploration projects to advanced production or near production assets. If deemed suitable, the Company will also consider related mineral commodities if they meet similar acceptable project metrics.	Lithium Energy will apply the net sale proceeds from the Proposed Amended Transaction to advance the development of its Burke and Corella Graphite Projects in Queensland to create a vertically-integrated mine to BAM manufacturing facility in Queensland.
	Any acquisition(s) will likely be subject to the Company’s re-compliance with Chapters 1 and 2 of the ASX Listing Rules, which will involve, amongst other matters, the issue of a prospectus and making a fresh application for admission to ASX (as outlined in Section 1.3).	The Company will make submissions to the ASX to seek a reinstatement to quotation of its securities (pursuant to ASX Listing Rule 12.1) on the basis that the advancement of the Burke and Corella Graphite Projects constitutes a sufficient level of operations to support reinstatement, without the Company having to re-comply with Chapters 1 and 2 of the ASX Listing Rules
Outcomes	If the Axon Graphite IPO has been successful	If the Axon Graphite IPO has not been successful
	The Company will consider returning part of the (net after-tax) sale proceeds from the Proposed Amended Transaction to Shareholders, subject to an assessment of the taxation consequences (to shareholders) and the quantum of funds required to secure and develop the Company’s new mineral projects.	The Company will consider returning part of the (net after-tax) sale proceeds from the Proposed Amended Transaction to Shareholders, subject to an assessment of the taxation consequences (to Shareholders) and the quantum of funds required to the Axon Graphite projects.
If Shareholders do not approve Resolution 1	Lithium Energy will be not able to proceed with the Proposed Amended Transaction under the Amended Sale Agreement.	
	The US\$15 million (A\$23.1 million ¹) commitment from CNNET to fund the development of the Solaroz Project from 1 January 2025 under the Amended Sale Agreement will not become binding and Lithium Energy may need to consider alternative funding opportunities for the development of Solaroz, particularly if any Condition to the Original Sale Agreement is not satisfied by the relevant dates.	
	Lithium Energy will be able to proceed to Complete the Proposed Transaction, dispose	

Outcomes	If the Axon Graphite IPO has been successful	If the Axon Graphite IPO has not been successful
	<p>of Solaroz in accordance with the terms of the Original Sale Agreement and receive the total cash consideration of up to US\$63 million.</p> <p>Completion is subject to satisfaction (or waiver by CNET) of outstanding Conditions by 25 April 2025 (being 12 months after the date of the Original Sale Agreement). If the outstanding Conditions have not been satisfied by the relevant dates, the Original Sale Agreement will not complete and may be terminated.</p> <p>The Foreign Company Registration Condition will no longer be an applicable Condition as CNET has agreed to waive this Condition upon execution of the Deed of Amendment.</p>	

2.2. Directors' interests and recommendations

None of the Directors have a material interest in the outcome of Resolution 1 other than as a result of their interest, if any, arising solely in the capacity as Shareholders.

The Directors have a relevant interest in Lithium Energy Shares and unlisted options as set out in the following table:

Director	Registered Shareholders	Shareholding	Total	% of Share capital	Unlisted Options
William Johnson	William Johnson	1,422,621	1,532,621	1.37%	5,000,000 Executive Options (\$1.06, 4 October 2025) ¹²
	William Matthew Johnson & Joanne Doris Johnson	110,000			
Farooq Khan	Farooq Khan	1,422,621	1,447,621	1.29%	5,000,000 Executive Options (\$1.06, 4 October 2025) ¹²
	Farooq Khan & Rosanna Decampo	25,000			
Peter Smith	Peter Smith	1,173,706		1.05%	2,500,000 Executive Options (\$1.06, 4 October 2025) ¹²

Based on the information available, each of William Johnson, Farooq Khan and Peter Smith considers that the Proposed Amended Transaction is in the best interests of Shareholders and recommends that Shareholders vote in favour of Resolution 1 and confirm they intend to vote or procure the voting of any Lithium Energy shares that they control in favour of Resolution 1, in the absence of a superior proposal.

The Directors have approved the proposal to put Resolution 1 to Shareholders.

The Chairman of the Meeting will call a poll on voting on Resolution 1.

2.3. Voting Exclusion

In accordance with ASX Listing Rules 11.2 and 14.11.1, a voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting.

Without limiting the voting exclusion statement in the Notice of Meeting, the following matters are noted:

- the counterparties to the Sale Agreement (and their Associates) are excluded from voting on Resolution 1, being CNET and CNGR (and their Associates);
- CNET and CNGR do not currently hold any Shares in Lithium Energy; and
- The Directors' shareholdings in Lithium Energy (set out in Section 2.2 (Directors' interests and recommendation) of this Explanatory Statement) are not excluded from voting on Resolution 1.

¹² Refer to LEL ASX Announcement dated 5 October 2022 titled "Notification (3G) of Issue of Unquoted Equity Securities" and Annexure B (Terms and Conditions of New Executive Options) of LEL's Notice of Annual General Meeting, Explanatory Statement and Proxy Form dated 22 August 2022 and released on ASX on 2 September 2022

GLOSSARY

A\$ means Australian dollars.

Accounting Standards has the meaning given to that term in the Corporations Act.

Amended Sale Agreement means the amended and restated Original Sale Agreement by the Deed of Amendment.

Associate has the meaning given to that term in the Listing Rules.

ASX means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

ASX Listing Rules or **Listing Rules** means the official ASX Listing Rules of the ASX and any other rules of the ASX which are applicable while the Company is admitted to the official list of the ASX, as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

Axon Graphite or **AXG** means Axon Graphite Limited (proposed ASX Code: AXG)

BAM means battery anode material.

Benchmark Lithium Carbonate Price means the daily price (in US\$) per metric tonne for battery-grade (of minimum 99.5% Li₂CO₃ purity) Lithium Carbonate (on basis of delivered to China and excluding valued-added (or equivalent) tax), as published by Shanghai Metals Market (<https://www.metal.com/Lithium/201102250059>) (or such other information source agreed by the parties under the Sale Agreement).

Board means the current board of Directors of the Company.

Chairman means the person chairing the Meeting.

Closely Related Party has the meaning given to that term in the Corporations Act.

CNGR means CNGR Advanced Material Co. Ltd. (Shenzhen Stock Exchange Code: 300919).

CNNET means CNGR Netherlands New Energy Technology B.V. (registered in the Netherlands with company number 89033485).

CNNET Loan has the meaning given to that term in Annexure A.

Company, Lithium Energy or **LEL** means Lithium Energy Limited ABN 94 647 135 108 (ASX:LEL).

Completion means completion under the Original Sale Agreement and completion of each of Tranche 1 and Tranche 2 under the Amended Sale Agreement, as the case may be.

Conditions mean the conditions precedent under the Original Sale Agreement.

Corporations Act means the *Corporations Act 2001* (Cth).

Deed of Amendment means the deed of amendment and restatement dated 3 December 2024 between LEL, LEOPL and CNNET, which amends and restates the Original Sale Agreement.

Deferred Consideration has the meaning given to that term in Annexure A.

Director means a current director of the Company.

EIA means Environmental Impact Assessment.

Escrow Account Amount has the meaning given to that term in Annexure A.

Explanatory Statement means the explanatory statement accompanying this Notice.

First Deposit has the meaning given to that term in Annexure A.

Foreign Company Registration Condition has the meaning given to that term in Section 1.1 of the Explanatory Statement.

Hanaq means Hanaq Argentina S.A. (registered in Argentina before the Public Register of Commerce of Salta Province under page 319/21, book entry 5,986 of Limited Liability Companies Book No. 20).

IPO means initial public offering.

Key Management Personnel has the meaning given to that term in the Accounting Standards.

LCE means lithium carbonate equivalent.

LEOPL means LE Operations Pty Ltd ACN 102 978 370.

Loan has the meaning given to that term in Annexure A.

Loan Amount has the meaning given to that term in Annexure A.

Meeting means the shareholder meeting to consider the Resolution.

MOU means a ‘Memorandum of Understanding for Acquisition of Lithium Mining Properties in Argentina’ agreement (dated 28 February 2019; assigned to LEL and LEOPL on 22 March 2021) with Solaroz and Hanaq.

Notice or Notice of Meeting means this Notice of General Meeting and the accompanying Explanatory Statement, including the Annexures thereto.

NOVONIX means NOVONIX Limited (ASX:NVX).

Original Sale Agreement means the share sale agreement dated 26 April 2024 between LEL, LEOPL and CNNET.

Proposed Amended Transaction has the meaning given to that term in Section 1.1 of the Explanatory Statement.

Proposed Transaction has the meaning given to that term in Section 1.1 of the Explanatory Statement.

Proxy Form means the proxy form accompanying the Notice by way of email where the Shareholder has elected to receive notices by email, or the personalised proxy form accompanying the postcard circulated by way of post where the Shareholder has not elected to receive notices by email.

Purchase Price has the meaning given to that term in Annexure A.

REE means rare earth elements.

Resolution means the resolution set out in this Notice of General Meeting.

Restricted Voter means Key Management Personnel and their Closely Related Parties as at the date of the Meeting.

Second Deposit has the meaning given to that term in Annexure A.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a member of the Company from time to time who is registered in the Share Register as the holder of at least one Share.

Share Register means the register of members of the Company maintained by the Company in accordance with the Corporations Act.

Share Registrar, Share Registry or Automic means the Company’s Share Registry, Automic.

Solaroz Project or Solaroz Lithium Project means the Solaroz Lithium Brine Project comprising 8 lithium mineral concessions located on the Salar de Olaroz basin in Argentina held by Solaroz.

Solaroz means Solaroz S.A. (registered in Argentina before the Superintendencia of Corporations of the City of Salta with company number 5986).

Tranche 1 has the meaning given to that term in Annexure A.

Tranche 1 Amount has the meaning given to that term in Annexure A.

Tranche 1 Completion means the completion of Tranche 1 under the Amended Sale Agreement.

Tranche 1 Completion Date has the meaning given to that term in Annexure A.

Tranche 2 has the meaning given to that term in Annexure A.

Tranche 2 Amount has the meaning given to that term in Annexure A.

Tranche 2 Completion means the completion of Tranche 2 under the Amended Sale Agreement.

Tranche 2 Completion Date has the meaning given to that term in Annexure A.

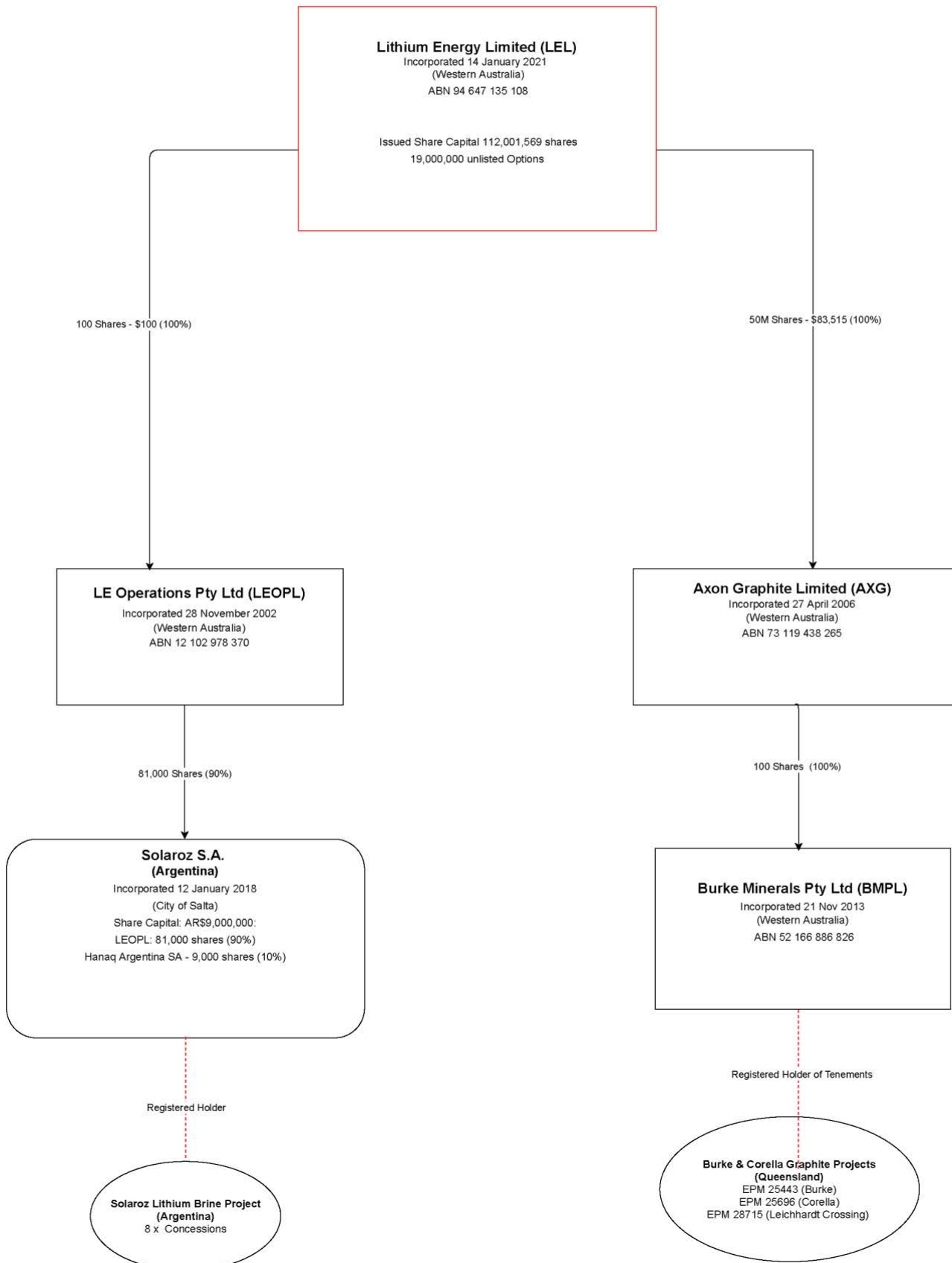
Transaction Documents mean the Deed of Amendment and the Amended Sale Agreement.

US\$ means United States dollars.

VWAP means volume weighted average price.

ANNEXURE A

Lithium Energy corporate group structure



ANNEXURE B**Summary of the Transaction Documents****(1) Summary of Deed of Amendment**

Parties	LE Operations Pty Ltd (ACN 102 978 370) (LEOPL), a wholly-owned subsidiary of Lithium Energy. Lithium Energy Limited (ACN 647 135 108) (ASX:LEL) (Lithium Energy or LEL). CNGR Netherlands New Energy Technology B.V. (registration no. 89033485) (CNNET) (as the Buyer), a subsidiary of CNGR Advanced Material Co Ltd (Shenzhen Stock Exchange Code: 300919) (CNGR).
Amendment and Restatement	Subject to the satisfaction of the LEL Shareholder Approval Condition, the parties have agreed to amend and restate the terms of the Share Sale Agreement dated 26 April 2024 (the Original Sale Agreement) on the basis set out below.
LEL Shareholder Approval Condition	Implementation of the amendment and restatement of the Original Sale Agreement is conditional on LEL obtaining shareholder approval for the Amended Sale Agreement under and for the purpose of Listing Rule 11.2
First Deposit	With effect from execution of the Deed of Amendment (3 December 2024), the parties have agreed that the US\$1.8 million (~A\$2.713 million, as at 30 June 2024) deposit (now regarded as the First Deposit) is fully non-refundable.
Waiver of Foreign Company Registration Condition	With effect from execution of the Deed of Amendment, CNNET will waive the condition precedent to the Original Sale Agreement that CNNET be registered as a foreign company in Argentina prior to completion.

(2) Summary of Amended Sale Agreement

Parties	LEOPL (as the Seller). LEL (as the Seller Guarantor). CNNET (as the Buyer).
Transaction	CNGR to pay total US\$63 million cash consideration to LEOPL to acquire: <ul style="list-style-type: none"> (a) 100% of LEOPL's shareholding in Solaroz S.A. (5986, Book 20 of Corporations) (Solaroz) - Solaroz is an Argentinian incorporated company which owns the mineral concessions comprising the Solaroz Lithium Brine Project in Argentina; and (b) A Loan owed by Solaroz to LEOPL (Loan), advanced under the terms of a 'Memorandum of Understanding for Acquisition of Lithium Mining Properties in Argentina' agreement (dated 28 February 2019; assigned to Lithium Energy and LEOPL on 22 March 2021) with Solaroz and the 10% minority shareholder, Hanaq Argentina S.A. (Hanaq) (MOU) pursuant to which LEOPL has funded and will continue to fund (subject to the CNNET funding arrangements under the Amended Sale Agreement) the operations of Solaroz.

Share Sale	Sale of 81,000 shares in the capital of Solaroz by LEOPL to CNGR, comprising 90% of the issued capital of Solaroz (being 100% of LEOPL's interest in Solaroz).
Loan Assignment	Assignment of LEOPL's benefits and rights to the Loan (which has a current balance of approximately US\$14 million) owed by Solaroz, to CNGR.
Completion in 2 Tranches	<p>The Share Sale and Loan Assignment shall occur in 2 tranches:</p> <p>(a) Tranche 1 – transfer of 35,910 (39.9%) Solaroz shares and assignment of US\$12 million Loan amount, to be completed on 24 April 2025 ; and</p> <p>(b) Tranche 2 – transfer of 45,090 (50.1%) Solaroz shares and assignment of balance of outstanding Loan amount, to be completed on 9 January 2026.</p> <p>If LEL shareholders have approved the amended terms of the sale pursuant to the Amended Sale Agreement and CNNET fails to pay the Second Deposit, LEOPL may elect to proceed to completion 10 business days thereafter.</p>
Consideration	<p>Total cash Purchase Price of US\$63 million is payable as follows:</p> <p>(a) US\$1.8 million First Deposit (payable on execution of the Original Sale Agreement and received in May 2024);</p> <p>(b) US\$6 million Second Deposit, payable on or before 10 January 2025 (subject to and after receipt of Shareholder approval for the Amended Sale Agreement);</p> <p>(c) US\$26 million Tranche 1 Amount, payable on completion of Tranche 1 on 24 April 2025;</p> <p>(d) US\$21.7 million Tranche 2 Amount, payable on completion of Tranche 2 on 9 January 2026;</p> <p>(e) US\$3 million Escrow Account Amount, payable at completion of Tranche 2 into a joint escrow account held by LEOPL and CNNET (or their nominees) in Hong Kong (to be held for one year as a performance security); and</p> <p>(f) US\$4.5 million Deferred Consideration, payable if the Benchmark Lithium Carbonate Price exceeds US\$23,000/tonne.</p>
Deposits	<p>The US\$1.8 million First Deposit and US\$6 million Second Deposit are applied towards the payment of the Purchase Price in respect of Tranche 1 completion.</p> <p>The First Deposit is not refundable to CNNET under any circumstances, with effect from the date of the Deed of Amendment.</p> <p>The Second Deposit is refundable to CNNET if the Amended Sale Agreement is terminated by CNNET in limited circumstances, as follows:</p> <p>(a) If LEOPL suffers an insolvency event prior to the completion of Tranche 2; or</p> <p>(b) If LEOPL breaches a seller's warranty (having a material adverse effect of greater than US\$5 million) which subsists and is not waived by CNNET at the completion of Tranche 1.</p>
Escrow Account Amount	<p>In relation to the US\$3 million Escrow Account Amount:</p> <p>The parties will establish a joint escrow account in the name of JPMorgan Chase Bank held by LEOPL (or nominee) and CNNET (or nominee) in Hong Kong;</p> <p>(a) The Escrow Account Amount will be held for a period of one year from the completion of Tranche 2, to serve as security for LEOPL's performance of all material terms of the Amended Sale Agreement, to cover any damages or</p>

	<p>losses suffered by CNNET as a result of LEOPL's breach of any such material terms;</p> <p>(b) In the event of a LEOPL material breach of the Amended Sale Agreement (within one year after completion of Tranche 2), CNNGR is entitled to a release of funds from the Escrow Account to cover actual damages or loss incurred (as reasonably determined by the parties acting in good faith or as independently determined at arbitration);</p> <p>(c) The Escrow Account Amount will otherwise be released to LEOPL one year after completion of Tranche 2 (ie. on 8 January 2027).</p>
Deferred Consideration	<p>The US\$4.5 million Deferred Consideration will be payable if, during the period starting on the completion of Tranche 1 and ending 12 months after the completion of Tranche 2 (Term) (i.e. between 25 April 2025 and 8 January 2027):</p> <p>(a) The rolling average 4-Month Benchmark Lithium Carbonate Price exceeds US\$23,000 per metric tonne; or</p> <p>(b) CNNET disposes of its interest in Solaroz to a unrelated third-party at a total consideration equal to or greater than 110% of the Purchase Price (of US\$63 million) (subject to a pro-rata reduction if there is a partial sale, with the balance payable if (a) is triggered during the balance of the Term).</p> <p>The Benchmark Lithium Carbonate Price means the daily price (in US\$) per metric tonne for battery-grade (of minimum 99.5% Li₂CO₃ purity) Lithium Carbonate (on basis of delivered to China and excluding valued-added (or equivalent) tax), as published by an information source agreed by the parties.</p>
Condition Precedent	The Amended Sale Agreement has no conditions precedent.
Solaroz Board representation	<p>CNNET is entitled to nominate one representative to the Solaroz Board upon the completion of Tranche 1.</p> <p>The Solaroz Board will continue to comprise a majority of LEL/LEOPL representatives, until the completion of Tranche 2.</p>
Solaroz Funding Arrangements	<p>(a) Up to 31 December 2024, LEOPL will continue to provide funding to Solaroz through the Loan to cover its working capital requirements and to comply with its obligations under the Amended Sale Agreement.</p> <p>(b) From 1 January 2025 to the completion of Tranche 2, CNNET has agreed to provide funding for Solaroz up to a maximum of US\$15 million, on the same terms as the LEOPL Loan to Solaroz in accordance with the MOU (CNNET Loan).</p> <p>(c) After the US\$15 million CNNET Loan cap has been drawn-down, LEOPL and CNNET will provide co-funding for Solaroz in equal amounts and on equal terms until the completion of Tranche 2 (or the termination of the Amended Sale Agreement).</p> <p>(d) The parties and Solaroz will consult in good faith as to the funding of Solaroz and the work programs on the Solaroz Project under the CNNET Loan.</p>
CNNET Loan	<p>The CNNET Loan is:</p> <p>(a) non-interest bearing; and</p> <p>(b) repayable by Solaroz (as a priority prior to the distribution of dividends or capital to shareholders) from the net profits earned by Solaroz, capital (via debt or equity) raised by Solaroz from third-parties or the cash reserves of</p>

	<p>Solaroz, from time to time as approved by the majority Board and shareholders of Solaroz having regard to, amongst other matters the then on-going and future cash working capital requirements of Solaroz and the Solaroz Project, the then current and anticipated financial performance and financial position of Solaroz and the then on-going and future capital requirements of Solaroz and the Solaroz Project, provided that no repayment may be made before the Tranche 2 Completion Date.</p> <p>The parties envisage that the LEOPL Loan and CNET Loan will be repaid proportionately.</p>
Conduct before completion	The Amended Sale Agreement includes customary restrictions on the conduct of business of Solaroz between the date of the Amended Sale Agreement and completion (of each of Tranches 1 and 2).
Hanaq's Minority Interest	CNET has agreed to acquire Hanaq's 10% shareholding in Solaroz (pursuant to a tag-along provision in the MOU), to be completed on or before the completion of Tranche 1.
Buy-back right	<p>If, after the completion of Tranche 1, CNET (or CNRG as a buyer guarantor) fails to make the (\$21.7 million) Tranche 2 Amount at completion on 9 January 2026, LEOPL is entitled to seek damages from CNET/CNCR, or in the alternative either;</p> <p>(a) LEOPL is entitled (for a period of 6 months thereafter) to buy-back the Tranche 1 Solaroz shares (39.9%) and receive back the (US\$12 million) assigned Loan from CNET at a 25% discount to the US\$33.8 million previously paid by CNET to LEOPL for these shares/Loan assignment; or</p> <p>(b) the parties will enter into a shareholders' agreement (SHA) on customary commercial terms; the SHA will include a pre-emptive right and a drag-along right in favour of LEOPL only.</p>
Warranties	<p>The Amended Sale Agreement includes:</p> <p>(a) customary warranties and indemnities for a transaction of this nature to apply up until completion of Tranche 1; and</p> <p>(b) limited warranties (pertaining to LEOPL's incorporation, status and authority, Solaroz's authority and status and the status of the Solaroz sale shares and Loan) to apply after the completion of Tranche 1 until the completion of Tranche 2,</p> <p>subject to usual caps and limitations on claims and indemnities.</p>
Termination	<p>LEOPL may terminate the Amended Sale Agreement prior to completion of Tranche 2 if CNET suffers an 'Insolvency Event' or prior to completion of Tranche 1, there is a breach of warranties by CNET that would reasonably be expected to have a material adverse effect in excess of US\$5 million.</p> <p>CNET may terminate the Amended Sale Agreement prior to completion of Tranche 2 if LEOPL suffers an 'Insolvency Event' or prior to completion of Tranche 1, there is a breach of warranties given by LEOPL that would reasonably be expected to have a 'Material Adverse Effect' in excess of US\$5 million.</p>
Governing law and Arbitration	<p>The Amended Sale Agreement is governed by the laws of Western Australia.</p> <p>Disputes under the Amended Sale Agreement will be referred to arbitration in Singapore pursuant to the arbitration rules of the Singapore International Arbitration Centre.</p>

ANNEXURE C

Pro-Forma Statement of Financial Position

	Audited 30 June 2024 \$	Completion of Tranche 1 Adjustments \$	Pro-Forma 30 June 2024 \$	Completion of Tranche 2 Adjustments \$	Pro-Forma 30 June 2024 \$
CURRENT ASSETS					
Cash and cash equivalents	3,515,174	49,230,769 ^{(2)(b),(c)}	52,745,943	33,176,498 ^{(3)(a)}	85,922,442
Receivables	224,852	-	224,852	4,612,528 ^{(3)(b)}	4,837,380
Other current assets	26,017	-	26,017	-	26,017
	3,766,043	49,230,769	52,996,812	37,789,027	90,785,839
Assets classified as held for sale	24,959,953	(9,959,021) ^{(2)(d)}	15,000,932	(15,000,932) ^{(3)(c)}	-
	-	-	-	-	-
TOTAL CURRENT ASSETS	28,725,996	39,271,748	67,997,744	22,788,095	90,785,839
NON-CURRENT ASSETS					
Exploration and evaluation expenditure	3,806,312	-	3,806,312	-	3,806,312
Property, plant and equipment	15,461	-	15,461	(174,221) ^{(3)(d)}	(158,760)
	-	-	-	-	-
TOTAL NON-CURRENT ASSETS	3,821,773	-	3,821,773	(174,221)	3,647,553
	-	-	-	-	-
TOTAL ASSETS	32,547,769	39,271,748	71,819,517	22,613,874	94,433,391
CURRENT LIABILITIES					
Payables	(2,974,584)	2,713,066 ^{(2)(a)}	(261,518)	7,260 ^{(3)(d)}	(254,258)
Provisions	(127,343)	-	(127,343)	12,708 ^{(3)(d)}	(114,635)
	(3,101,928)	2,713,066	(388,862)	19,969	(368,893)
Liabilities directly associated with assets classified as held for sale	(125,995)	50,272 ^{(2)(d)}	(75,723)	75,723 ^{(3)(d)}	-
TOTAL CURRENT LIABILITIES	(3,227,923)	2,763,338	(464,585)	95,692	(368,893)
	-	-	-	-	-
TOTAL LIABILITIES	(3,227,923)	2,763,338	(464,585)	95,692	(368,893)
	-	-	-	-	-
NET ASSETS	29,319,846	42,035,086	71,354,932	22,709,566	94,064,498
EQUITY					
Issued capital	36,827,877	-	36,827,877	-	36,827,877
Reserves	12,434,767	-	12,434,767	(530,892) ^{(3)(d)}	11,903,875
Accumulated losses	(20,081,559)	42,035,086 ^{(2)(a)-(e)}	21,953,527	23,379,219 ^{(3)(a)-(d)}	45,332,746
Parent Interest	29,181,084	42,035,086	71,216,171	22,848,327	94,064,498
	-	-	-	-	-
Non-controlling interest	138,761	-	138,761	(138,761) ^{(3)(c)}	-
	-	-	-	-	-
TOTAL EQUITY	29,319,846	42,035,086	71,354,932	22,709,566	94,064,498

Pro-Forma Adjustments

The Pro-Forma Statement of Financial Position adopts Lithium Energy's audited Consolidated Statement of Financial Position as at 30 June 2024 with a Pro-Forma position based on the completion of the Solaroz Sale under the terms of the Amended Sale Agreement.

The following matters are noted in relation to the Pro-Forma Adjustments and positions:

- (1) There is an assumed disposal of the 90% shareholding in Solaroz held by LEOPL (a wholly-owned subsidiary of Lithium Energy) in two tranches, with the cash purchase price received posted to Cash and adjustments to (external) Liabilities directly associated with assets classified as held for sale posted to Assets classified as held for sale (where LEOPL's investment in Solaroz is recognised for accounting purposes).
- (2) At completion of Tranche 1:
 - (a) The First Deposit (of US\$1.8 million (A\$2,713,066), as at 30 June 2024) is eliminated from Current payables and the corresponding income is posted to Accumulated Losses;
 - (b) The Second Deposit (of US\$6 million (A\$9,230,769)) is recognised in Cash and the corresponding income is posted to Accumulated Losses;
 - (c) The Tranche 1 Amount (of US\$26 million (A\$40,000,000)) is recognised in Cash and the corresponding income is posted to Accumulated Losses;
 - (d) 39.9% of (external) Liabilities directly associated with assets classified as held for sale is eliminated and the corresponding income is posted to Accumulated Losses; and
 - (e) Assets classified as held for sale is reduced by 39.9% (representing the 39.9% of Solaroz shares sold) and is posted to Accumulated Losses.
- (3) At completion of Tranche 2:
 - (a) The Tranche 1 Amount (of US\$21.7 million (A\$33,384,615)) is recognised in Cash and the corresponding income is posted to Accumulated Losses;
 - (b) The Escrow Account Amount (US\$3M or A\$4,615,385) payable at completion of Tranche 2 is recognised in Current Receivables and the corresponding income is posted to Accumulated Losses;
 - (c) Assets classified as held for sale is reduced to nil representing the sale of the balance of 50.1% of Solaroz held by LEOPL and the elimination of a 10% minority interest (on the deconsolidation of Solaroz as a controlled entity);
 - (d) There is a deconsolidation of Solaroz, resulting in the elimination of Assets classified as held for sale and assets (Cash, Receivables, Plant and equipment and foreign currency translation reserves) and liabilities (Payables, Provisions and Liabilities directly associated with assets classified as held for sale) attributable to Solaroz and the Non-controlling interest, which are posted to Accumulated Losses;
- (4) The Deferred Consideration (US\$4.5M or A\$6.9M) is regarded as a Contingent Asset and is not recognised as an asset under either scenario.
- (5) An exchange rate of US\$1.00:A\$0.65 is assumed.
- (6) The Loan owed by Solaroz to LEOPL (with a current balance of approximately US\$14 million (~A\$21.5 million)) and the subject of assignment to CNNET under Tranche 1 (to the extent of US\$12 million) and Tranche 2 (to the extent of the outstanding balance as at the Tranche 2 Completion Date) is not reflected in the Statements of Financial Position (as at 30 June 2024 and in the Pro-Forma positions) as the Loan is eliminated on consolidation (due to Solaroz being a controlled entity of Lithium Energy).
- (7) There is no provision for taxation, as the Company is determining the extent of its liability in this regard. However, the Company expects the transaction to be taxable in Argentina and will use part of the Solaroz Sale proceeds in relation to that tax liability.

ANNEXURE D**About the Solaroz Lithium Project**

Lithium Energy's Solaroz Lithium Project comprises 8 mineral concessions totalling approximately 12,000 hectares, located approximately 230 kilometres north-west of the provincial capital city of Jujuy within South America's 'Lithium Triangle' in North-West Argentina in the Salar de Olaroz basin (the **Olaroz Salar**).

The Solaroz Project is directly adjacent to two world class Lithium brine production assets - Arcadium Lithium plc's (ASX:LTM)¹³ Olaroz Lithium Facility and Lithium Argentina Corporation's¹⁴ (TSX:LAAC) Cauchari-Olaroz Facility.

On 9 October 2024, Rio Tinto (ASX/LSR:RIO) announced that it will acquire Arcadium in an all cash transaction valuing Arcadium at US\$6.7 Billion, which will be implemented via a scheme of arrangement.¹⁵

The maiden Solaroz Project Mineral Resource Estimate has been upgraded to **3.3Mt** Lithium Carbonate Equivalent (**LCE**) (refer Table 1).¹⁶ Within the 3.3Mt LCE Total Mineral Resource, there is a **high-grade core of 1.3Mt of LCE** with an average concentration of **400 mg/l Lithium** (refer Table 2).

This high-grade core underpins the October 2023 Scoping Study outcomes (with 20ktpa and 40ktpa LCE production) using conventional evaporation ponds processing.¹⁷

Solaroz Mineral Resource Estimates

The initial maiden JORC Mineral Resource for the Solaroz Project (defined in June 2023¹⁸) was upgraded in October 2023¹⁹ to:

- **Total Mineral Resource of 3.3Mt LCE** (at a zero Li mg/l cut-off grade), comprising (refer Table 1):
 - **Indicated Mineral Resource of 2.36Mt LCE**; and
 - **Inferred Mineral Resource of 0.9Mt LCE**.
- Within the 3.3Mt LCE Total Mineral Resource, there is a **high-grade core of 1.3Mt of LCE** with an average concentration of **400 mg/l Lithium** (at a 320 mg/l Li cut-off grade) (refer Table 2).

¹³ Arcadium Lithium plc (ASX/NYSE:LTM/ALTM) is the merged entity of Allkem Limited (former ASX:AKE) and Livent Corporation (NYSE:LTHM)

¹⁴ Lithium Argentina was separated, under a reorganisation, from Lithium Americas Corporation (TSX:LAC), in October 2023

¹⁵ Refer to RIO ASX/LSE Announcements dated 9 October 2024 titled "Rio Tinto to acquire Arcadium Lithium" and 9 October 2024 titled "Presentation on acquisition of Arcadium Lithium"

¹⁶ Refer to LEL Announcement dated 26 October 2023 titled "Significant Solaroz Milestone Achieved with Upgrade to 2.4Mt LCE JORC Indicated Resource"

¹⁷ Refer to LEL ASX Announcement dated 31 October 2023 titled "Scoping Study Highlights Solaroz Potential as a Large Scale, Long Life, High Margin Lithium Project" - the Company confirms that all material assumptions underpinning the production targets and forecast financial information derived from the production targets in this announcement continue to apply and have not materially change

¹⁸ Refer to LEL ASX Announcement dated 29 June 2023 titled "Significant Maiden JORC Lithium Resource of 3.3Mt LCE at Solaroz Project in Argentina"

¹⁹ Refer to LEL ASX Announcement dated 26 October 2023 titled "Significant Solaroz Milestone Achieved with Upgrade to 2.4Mt LCE JORC Indicated Resource"

Table 1 : Upgraded Total JORC Indicated and Inferred Mineral Resource

Mineral Resource Category	Lithology Units	Sediment Volume (Million m ³)	Specific Yield %	Brine volume	Lithium (Li)		LCE Tonnes
				Million m ³	mg/l	Tonnes	
Indicated Mineral Resource	A (Upper Aquifer)	7,200	10.0%	720	245	176,600	940,000
	B (Halite Salt Unit)	1,731	4.0%	69	340	23,600	125,000
	C (Lower Aquifer)	4,671	6.5%	304	363	110,000	590,000
	D (Tertiary Bedrock)	5,651	5.8%	328	406	133,000	705,000
	Total	19,253	7.4%	1,421	312	443,200	2,360,000
Inferred Mineral Resource	A	3,589	10.0%	359	245	88,000	470,000
	B	3,060	4.0%	122	340	42,000	220,000
	C	1,058	6.5%	69	362	25,000	130,000
	D	634	5.8%	37	405	15,000	80,000
	Total	8,340	7.0%	587	289	170,000	900,000
TOTAL INDICATED & INFERRED MINERAL RESOURCE			7.3%		305		3,260,000

Notes:

- The Indicated Mineral Resource Estimate encompasses the Chico I, Chico V, Chico VI, Payo 2 South and Silvia Irene (Central Block) concessions
- The Inferred Mineral Resource Estimate encompasses the Mario Angel, Payo 2 South and Silvia Irene, Payo 1 and Payo 2 North concessions, and is in addition to the Indicated Mineral Resource Estimate
- Lithium (Li) is converted to lithium carbonate (Li₂CO₃) equivalent (LCE) using a conversion factor of 5.323
- Totals may differ due to rounding
- Reported at a zero Lithium mg/l cut-off grade
- Total Specific Yields are weighted averages

Table 2 : Upgraded High-Grade Core within Total JORC Indicated and Inferred Mineral Resource

Mineral Resource Category	Lithology Units	Sediment Volume (Million m ³)	Specific Yield %	Brine volume	Lithium (Li)		LCE Tonnes
				Million m ³	mg/l	Tonnes	
Indicated Mineral Resource	A	878	10.0%	88	349	30,000	165,000
	B	1,289	4.0%	52	357	18,000	100,000
	C	3,288	5.6%	183	401	75,000	390,000
	D	4,881	4.8%	235	425	100,000	530,000
	Total	10,337	5.2%	557	400	223,000	1,185,000
Inferred Mineral Resource	B	92	4.0%	4	418	1,500	8,000
	C	436	5.7%	25	401	10,000	53,000
	D	109	4.9%	5	405	2,000	12,000
	Total	637	5.3%	34	403	13,500	73,000
TOTAL INDICATED & INFERRED MINERAL RESOURCE (HIGH-GRADE CORE)			5.2%		400		1,258,000

Notes:

- The high-grade core comprises JORC Indicated and Inferred Mineral Resources estimated within the mineralisation envelope of (not in addition to) the Mineral Resource Estimates outlined in Table 1
- The Indicated Mineral Resource encompasses the Chico I, Chico V, Chico VI, Payo 2 South and Silvia Irene (Central Block) concessions
- The inferred Mineral Resource encompasses the southern Mario Angel (Units B and C) and Payo 1 and Payo 2 North (Northern Block) (Unit D) concessions, and is in addition to the Indicated Mineral Resource Estimate
- Reported at a 320 mg/l Lithium cut-off grade
- Refer Notes (c), (d) and (f) of Table 1

Further details are in the Company's ASX Announcement dated 26 October 2023 and titled 'Significant Solaroz Milestone Achieved with Upgrade to 2.4Mt LCE JORC Indicated Resource'.

JORC CODE COMPETENT PERSON STATEMENTS

The information in this Notice of Meeting that relates to Mineral Resources in relation to the Solaroz Lithium Project is extracted from the following ASX market announcements made by Lithium Energy Limited dated:

- 26 October 2023 titled 'Significant Solaroz Milestone Achieved with Upgrade to 2.4Mt LCE JORC Indicated Resource; and
- 29 June 2023 and titled 'Significant Maiden JORC Lithium Resource of 3.3Mt LCE at Solaroz Project in Argentina'.

The information in the original announcements is based on information compiled by Mr Murray Brooker (MAIG, MIAH), a Competent Person who is a Member of Member of the Australian Institute of Geoscientists (**AIG**). Mr Brooker is an employee of Hydrominex Geoscience Pty Ltd, an independent consultant to Lithium Energy Limited. Mr Brooker has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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 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 announcements (referred to above).

The Lithium Energy ASX market announcements referred to above may be viewed and downloaded from the Company's website: www.lithiumenergy.com.au or the ASX website: www.asx.com.au under ASX code "LEL".

TIME AND PLACE OF MEETING AND HOW TO VOTE

Venue

The Meeting of the Shareholders of Lithium Energy Limited will be held at:

Lithium Energy Limited
Suite 1, Level 1, 680 Murray Street
West Perth, Western Australia

commencing

12:00 noon (Perth time)
Wednesday, 15 January 2025

How to vote

Shareholders can vote by either:

- attending the Meeting and voting in person or by attorney or, in the case of corporate Shareholders, by appointing a corporate representative to attend and vote; or
- appointing a proxy to attend and vote on their behalf using the Proxy Form accompanying this Notice of Meeting and by submitting their proxy appointment and voting instructions in person, by post, electronically via the internet or by facsimile.

Attending the Meeting as a Proxy holder and voting by proxy

A Shareholder entitled to attend and vote is entitled to appoint not more than two proxies. Each proxy will have the right to vote on a poll and also to speak at the Meeting.

The appointment of the proxy may specify the proportion or the number of votes that the proxy may exercise. Where more than one proxy is appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (i.e. where there are two proxies, each proxy may exercise half of the votes).

A proxy need not be a Shareholder. The proxy can be either an individual or a body corporate.

If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit. However, where a Restricted Voter is appointed as a proxy, the proxy may only vote on the Resolution in accordance with a direction on how the proxy is to vote or, if the proxy is the Chairman of the Meeting and the appointment expressly authorises the Chairman to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Should any resolution, other than the Resolution specified in this Notice, be proposed at the Meeting, a proxy may vote on that resolution as they think fit.





If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the Shareholder's behalf on the poll and the Shares that are the subject of the proxy appointment will not be counted in calculating the required majority.

Shareholders who return their Proxy Forms with a direction how to vote, but who do not nominate the identity of their proxy, will be taken to have appointed the Chairman of the Meeting as their proxy to vote on their behalf. If a Proxy Form is returned but the nominated proxy does not attend the Meeting, the Chairman of the Meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chairman of the Meeting, the secretary or any Director that do not contain a direction how to vote will be used, where possible, to support the Resolution proposed in this Notice, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to the proposed Resolution. These rules are explained in this Notice.

The Proxy Form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act. Where the appointment of a proxy is signed by the appointer's attorney, a certified copy of the Power of Attorney, or the power itself, must be received by the Company at the above address, or by facsimile, and by 12:00 noon (Perth time) on 13 January 2025. If facsimile transmission is used, the Power of Attorney must be certified.

TIME AND PLACE OF MEETING AND HOW TO VOTE

To vote by proxy, please complete and sign the Proxy Form enclosed with this Notice of Meeting as soon as possible and return it to the Company, either:

-  **Online** - <https://investor.automic.com.au/#/loginsah> : Log on to the Share Registry website with your Holder Number (Securityholder Reference Number (SRN) or Holder Identification Number (HIN)) as shown on your Proxy Form
-  **By Facsimile:** (02) 8583 3040 (Automic)
-  **By Mail:** Automic, GPO Box 5193, Sydney NSW 2001, or
-  **By Hand Delivery:** Automic, Level 5, 126 Philip Street, Sydney, New South Wales

so that it is received **no later than 12:00 noon (Perth time) on Monday, 13 January 2025**. Proxies received after this time will be invalid.

Proxy Forms received after that time will not be effective. Proxy Forms received by email will be disregarded by the Company.

Voting by a corporation

A Shareholder that is a corporation may appoint an individual to act as its representative and vote in person at the Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed.

Voting in person

Shareholders, or their attorneys, who plan to attend the Meeting are asked to arrive at the venue 15 minutes prior to the time designated for the Meeting, if possible, so that their holding may be checked against the Company's share register and their attendance recorded.

Voting by Attorney

A shareholder may appoint an attorney to vote on his or her behalf. For an appointment to be effective for the General Meeting, the instrument effecting the appointment (or a certified copy of it) must be received by the Company at its registered office or one of the Share Registry's addresses listed above for the receipt of proxy appointments at least 48 hours before the Meeting. Previously lodged Powers of Attorney will be disregarded by the Company.

Questions at the Meeting

Please note, only Shareholders may ask questions once they have been verified. It may not be possible to respond to all questions. Shareholders are encouraged to submit questions prior to the Meeting (please see below).

Submission of written questions to the Company in advance of the Meeting

A Shareholder who is entitled to vote at the Meeting may submit a written question to the Company in advance of the Meeting. We ask that all pre-Meeting questions be received by the Company no later than 5:00 pm (Perth time) on 13 January 2025, before the date of the Meeting, being 12:00 noon (Perth time) on 15 January 2025.

Any questions should be directed to the Company Secretary by email to cosec@lithiumenergy.com.au.

Attending the Meeting as a guest

Please follow the instructions published on the Company's website if you wish to attend the Meeting as a guest.

Voting Entitlement

In accordance with paragraphs 7.11.37 and 7.11.38 of the Corporations Regulations 2001 (Cth), the Company has determined that for the purposes of the General Meeting all Shares in the Company will be taken to be held by the persons who held them as registered Shareholders set out in the Share Register as at 5:00 pm (Perth time) on 13 January 2025. Accordingly, Share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting. Subject to the voting exclusions noted earlier in the Notice of Meeting, each Shareholder present has one vote on a show of hands, and one vote for every Share held on a poll.

Your proxy voting instruction must be received by **12.00pm (AWST) on Monday, 13 January 2025**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of Key Management Personnel.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automicgroup.com.au>.

Lodging your Proxy Voting Form:

Online

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



BY MAIL:

Automic
GPO Box 5193
Sydney NSW 2001

IN PERSON:

Automic
Level 5, 126 Phillip Street
Sydney NSW 2000

BY EMAIL:

meetings@automicgroup.com.au

BY FACSIMILE:

+61 2 8583 3040

All enquiries to Automic:

WEBSITE:

<https://automicgroup.com.au>

PHONE:

1300 288 664 (Within Australia)
+61 2 9698 5414 (Overseas)

