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30 January 2026

ASX Announcement

# DECEMBER 2025 QUARTERLY ACTIVITIES REPORT

**Lotus Resources Limited** (**ASX: LOT, OTCQX: LTSRF**) (**Lotus** or the **Company**) is pleased to provide its quarterly activities report for the quarter ended 31 December 2025. Lotus continues to ramp up operations at its Kayelekera Uranium Mine in Malawi towards nameplate production, while also further progressing its large-scale Letlhakane uranium project in Botswana.

## HIGHLIGHTS

- **Safety performance reflects focus on embedding a strong safety culture**
  - No Lost Time Injuries recorded during the quarter
  - Operation is on track to achieve two million LTI-free person days by the end of January, a significant milestone that reflects a strong safety culture across the workforce
- **Mining is progressing well**
  - First high-grade ore delivered from Kayelekera's mining pit to the Run-of Mine (ROM) pad following the commencement of mining activities
  - All mining equipment on site, in-pit grade control system established
  - Total waste mined during the quarter amounted to 265 kt; ore mined was 11.9 kt, as mining activities focused on establishing mining fronts
  - Explosives supply contract finalised, mobile manufacturing unit for explosives delivery on site
- **Nov-Dec processing impacted by sulphuric acid availability and supply chain challenges**
  - During 15 days of continuous operations in November, the plant approached nameplate levels
  - Sulphuric acid availability disrupted production during the quarter; production resumed mid-January and, without further significant disruption, has delivered the best continuous run time since the restart
  - Sulphuric acid supply contracts are now in place with three parties, and the required transport fleet has been mobilised to alleviate acid supply constraints
- **January processing progress**
  - While acid supply and additional plant works have limited production in January, mill throughput of 113 tonnes per hour (~57% of nameplate throughput level) has been achieved consistently since the January restart
- **Accelerated Restart program continues to progress**
  - Acid plant rebuild remains on schedule for commissioning and production during March 2026; first sulphur delivered to site
  - Tailings Storage Facility (TSF) lift construction continued
  - The grid connection project is gaining momentum, with detailed design and procurement well advanced and construction teams mobilized during the quarter
  - Road and surface water infrastructure maintenance continued in preparation for the wet season

- **Progress towards steady state production and first shipment of product**
    - The Company continues to target achieving nameplate production during March 2026; however, acid availability along with some additional plant maintenance work is likely to delay achieving full month steady-state uranium production of ~200,000lbs per month (~2.4Mlbpa) until Q2 CY26 (Q4 FY26)
    - Product qualification is progressing with converters, with results expected shortly. Product qualification with at least one converter is required to start the permitting process for the first shipment of product, with first shipment now forecast to occur in Q2 CY26 (Q4 FY26)
- **Uranium deliveries and contracting strategy**
    - Term price increased to US$87/lb at the end of December
    - 90% of 2026 contracted commitments (1,000,000 lbs) are for 2H CY26 deliveries
    - Ongoing focus on power utilities as counterparties, market linked pricing
    - In the current uranium pricing environment, Lotus sees strategic value in preserving uncontracted pounds and building up inventories to maximise exposure to potential price upside
- **Letlhakane Project**
    - Successful metallurgical testwork indicates potential for acid consumption reduction by ~70% compared with previous studies
    - Process flow sheet to be simplified by removing solvent extraction
    - Phase 1 of FY26 infill drilling program completed, with drilling expected to resume after the current wet season
- **Closing cash balance of A$56.2M (unaudited)[1], exclusive of restricted cash of US$10.0M**
    - An additional A$7.2M equipment finance facility drawn post quarter end to deliver a pro-forma cash balance of **A$63.4M**
    - Lotus continues to focus on optimising its working capital cycle and is well advanced in considering a number of additional financing alternatives, including prepayment / inventory financing structures which allow monetisation of product during delivery period

[1] Exchange rate assumption of 0.6668 AUD:USD. The Company had US$37.5M in cash and cash equivalents (excluding restricted cash)

## KAYELEKERA (MALAWI)

## PRODUCTION

Kayelekera produced 70.1 klb of $U_3O_8$ (in drums) during Q4 CY2026[2].

**Table 1: Kayelekera December 2025 quarter production**

| Kayelekera | Unit | Dec 2025 Quarter | FY YTD |
|---|---|---|---|
| **Mining** | | | |
| Ore Mined | kt | 11.9 | 11.9 |
| Waste Mined | '000bcm | 117 | 117 |
| Waste Mined | kt | 265.0 | 265.0 |
| Mined Grade | ppm | 612 | 612 |
| **Processing** | | | |
| Ore Milled | kt | 85.5 | 188.5 |
| Head Grade | ppm | 1,081 | 1,117 |
| Recovery | % | 82.1 | 72.8 |
| Uranium Produced[2] | klb | 70.1 | 105.0 |

**Mining**

Mining activities are now well underway, with the first ore successfully delivered from the Kayelekera mining pit to the Run-of-Mine (ROM) pad following the commencement of production blasting in November 2025[3]. Four production blasts were completed during the period, and ore quality to date is meeting expectations, providing confidence in the near-term mining profile.

Total material movement for the quarter was 276.9 kt. Mined ore was 11.8 kt at a mined grade of 612 ppm, in line with expectations for the current mining area. Mining during the quarter focused on establishing mining fronts, hence the strip ratio during the quarter was in excess of the projected life-of-mine strip ratio of ~1.8. At the end of quarter, ore stockpiles were approximately 1.4 Mt at an average grade of 695 ppm, with 156 kt of high grade material (at an average grade of 917 ppm) immediately available to the plant.

While mining activities are currently tracking behind the original schedule, the operation is transitioning into a more stable and predictable mining rhythm.

Lotus now has all required mining equipment on site and pit access ramps have been completed to provide access to the first two mining stages. An in-pit grade control system has been established to ensure accurate ore delineation and consistent mining quality. Other mining activities included ramp access and road preparation, preparation of the run-of-mine pad, and construction activities related to the Tailings Storage Facility (TSF).

The explosives supply contract has been finalised, with a mobile manufacturing unit (MMU) now operational on site. This capability is a key enabler for maintaining consistent blasting activities, including through the wet season, and materially reduces operational risk going forward.

**Wet season preparation**

In Kayelekera's first wet season since the restart of operations, early performance indicates that water management systems are functioning as designed.

Significant focus was placed on preparing the operation for the wet season, including:

- Surface water drainage infrastructure is fully in place and operational

[2] The $U_3O_8$ product is currently going through a process to be qualified for delivery to a uranium converter, which is required to sell the product to customers.
[3] See ASX announcement dated 21 November 2025

- Ongoing road maintenance continues, with haul roads remaining serviceable, albeit with some minor delays during wet conditions
- Final road sheeting using G5 material is scheduled to commence once the waste crusher is commissioned by the end of January.

**Processing**

Total ore processed during the quarter was 85.5kt at a mill head grade of 1,081 ppm. As part of ramp-up, the plant built up a level of uranium in circuit during the first two months of operation, which is not accounted for in production. Recovery of uranium was 82.1%, a significant improvement on early commissioning activities in the prior quarter. Further improvement is expected as ramp-up progresses and operations stabilise.

Processing in November and December was constrained by acid availability, impacting plant availability[4]. Sulphuric acid supply issues have arisen due to production challenges in Zambia, which was the primary source of supply, with South Africa as a secondary source of supply.

The Company has actively increased the number of suppliers and additional supplies are now being sourced out of South Africa, in addition to Zambia[5]. The Company now has three suppliers with the necessary permits in place to import sulphuric acid and is working closely with these suppliers to increase and improve the delivery reliability of acid volumes.

In addition to these measures, Lotus' acid plant rebuild project will address acid supply constraints. The acid plant rebuild remains on schedule, with commissioning and production expected to commence in Q1 CY2026, with an initial inventory of sulphur on site. The acid plant will enable the production of sulphuric acid from sulphur, which is more reliably supplied (as it is transported more easily and more broadly available) with significantly lower tonnage and volumes required, therefore reducing corresponding truck movements. The Company expects the acid plant to commence operating in Q1 CY2026.

During a 15-day period of continuous operations in November, the plant performed well and approached nameplate levels. In that period, the processing plant achieved 18.2 hours per day of uptime, milling throughput rate averaged 138 tonnes per hour with a maximum hourly throughput of 172 tonnes per hour, equating to 70% and 88% of nameplate milling throughput, respectively. Preliminary recovery for the month averaged approximately 83%[6], which is close to targeted steady state recovery of 86.7%.

As acid supplies ramp up and volumes start arriving on site, the Company continues to undertake plant works, repairs and improvements, to ensure the long-term reliability and performance of the Kayelekera processing plant. While acid supply and plant works have limited production for the month of January 2026, mill throughput of 113 tonnes per hour (~57% of nameplate throughput level) has been achieved consistently since the mid-January restart, with mill run times of 22 hours a day. While the Company continues to target achieving steady state operational production rates (~2.4Mlbs per annum) during March 2026, the Company now considers it more likely that this will occur in Q2 CY2026 (Q4 FY2026) when it anticipates its acid plant to be fully operational.

Product qualification is progressing with converters with results expected in February 2026. Product qualification with at least one converter is required to start the permitting process for the first shipment of product, with first shipment now forecast to occur in Q2 CY2026.

[4] See ASX announcement dated 4 December 2025
[5] See ASX announcement 23 December 2025
[6] Information is preliminary only with final recovery still to be reconciled.

## ACCELERATED RESTART ACTIVITIES

The Figure below shows the indicative schedule, highlighting key milestones:

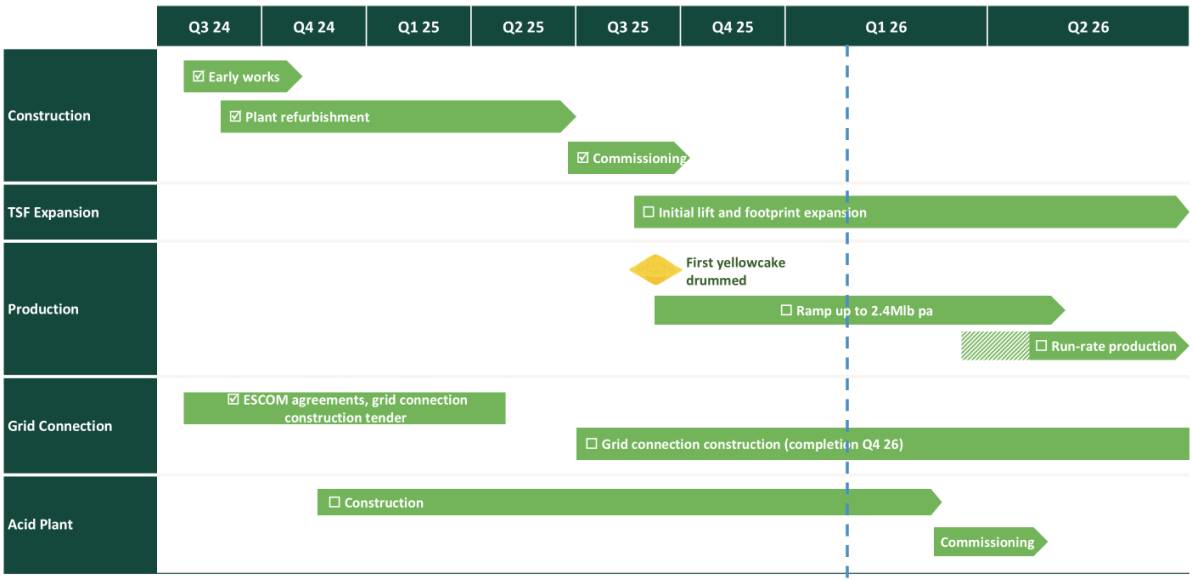


**Figure 1: Indicative schedule – Kayelekera Accelerated Restart**

The refurbishment of the acid plant moved towards substantial completion during the quarter, with mechanical and electrical completion now at >90%. The timeline to complete the acid plant is Q1 CY2026.

Work continued on the power grid connection, with completion targeted by the end of CY2026.

The TSF embankment raises are planned across six phases over the life of mine. Phase 1 has been sub-divided into Phase 1A and Phase 1B. Phase 1A involves a top hat raise of the north embankment, profiling of the west embankment and lining the downstream perimeter of the TSF. Phase 1B involves the widening of the north embankment to its full life of mine footprint to support the subsequent future lifts in Phases 2 to 6.

The design is in compliance with Australian National Committee on Large Dams – Guidelines on Tailings Dams (ANCOLD 2019) and aligns with the Global Industry Standard on Tailings Management (GISTM 2020).

TSF works for Phases 1A and 1B involving the initial embankment raise, lining and widening are well underway.

**Figure 1: Kayelekera Mining Manager Philippus (Flippie) Schoeman overseeing preparations for first mining blast**

**Figure 2: Aerial image of first mining blast at Kayelekera**


**Figure 3: First high-grade ore delivered to the ROM pad**

**Figure 4: Acid plant (January)**

**Figure 5: TSF lift works in progress**

## KAYELEKERA CAPITAL EXPENDITURE

Capital expenditure at Kayelekera increased during the quarter in line with the increased construction activities. The expenditure to date is as follows (shown on an accrual basis):

**Table 2: Capex and pre-production spend to date**

| Item | Dec Quarterly Expenditure (US$M) | Total Expenditure to Date (US$M) | Budget Estimate (US$M)[6] |
|---|---|---|---|
| Accelerated Restart[1] | 9.1 | 45.2 | 49.7 |
| Pre-Production Costs[2] | 2.4 | 15.2 | 10.6 |
| Mining (Owner)[3] | 0.3 | 8.2 | 8.0 |
| Powerline Project[4] | 0.9 | 4.7 | 19.4 |
| TSF[5] | 1.5 | 4.2 | 17.9 |

1 Initial Capital and Owners Costs required for first uranium production. Initial budgeted capital was US$49.7M.
2 Pre-Production Costs (existing and additional site operational management team and associated general and administrative costs, and additional reagents inventory beyond first fill) to first uranium production. Initial budgeted capital was US$10.6M.
3 Mining (Owner) is the mobile equipment and associated establishment costs for owner mining. Initial budgeted capital was US$8.0M.
4 Powerline Project is the capital for the grid connection and substation. Initial budgeted capital was US$20.5M.
5 TSF is the Phase 1A and Phase 1B works. It excludes amounts in the Accelerated Restart Project required for first uranium production.
6 Accelerated Restart and Pre-Production Costs denote total budget; all other items denote FY26 budget.

The remaining expenditure for the Accelerated Restart budget is primarily associated with the acid plant, which comprises US$14.0m of the initial budget estimate and is expected to be completed in Q1 CY2026.

## LETLHAKANE (BOTSWANA)

### PHASE 1 OF INFILL DRILL PROGRAM COMPLETED

Lotus' drill program primarily aims to upgrade Inferred Mineral Resources[7] currently contained within the Mineral Resource Estimate (~50% of total resource) to Indicated and Measured status. The bulk of the Inferred Mineral Resources lie within the Gorgon and Serule West areas and represent the main targets for the current drill program.

The ~180-hole, 13,500m drill program was designed to be completed in two phases, with the first phase completed in late 2025 and a pause during the seasonal rains. Completion of phase 2 of the program is expected in early 2026. Once the full 13,500m drill program has been completed, results will be incorporated into an updated Mineral Resource Estimate to be prepared around mid-2026.

The first phase of drilling focused on Serule West with 63 RC holes and eight diamond core holes completed for a total of 4,423m with an average hole depth of 62m. The assay results from the first phase of drilling are still to be received.

### NEW METALLURGICAL TESTWORK SUPPORTS 70% REDUCTION IN ACID CONSUMPTION

Letlhakane's processing flowsheet developed by previous owner A-Cap Energy Limited[8] (formerly A-Cap Resources Limited) (**A-Cap**) was based on a high acidity leach (~100 g/l $H_2SO_4$), which resulted in high acid consumption (average of ~40 kg/t of ore).

Lotus aims to optimise the process flowsheet based on reducing acid consumption by applying a two-stage leaching process where high acidity is only used in the second stage.

To further define the two-stage leach flowsheet and to refine the uranium extraction and acid consumption expectations, the Company undertook the following additional metallurgical testwork:

- **Column Leaching** - two pilot columns in series with the intermediate leach solution (**ILS**) from one column used to irrigate the first stage of a second column
- **Ion Exchange** - collection of pregnant leach solution (**PLS**) from the second column for use as process liquor for ion exchange resin screening and loading/elution condition definition.

The additional metallurgical testwork was undertaken by Australian Nuclear Science and Technology Organisation (**ANSTO**) at its facilities in Lucas Heights, Sydney.

ANSTO completed four column leach tests under the following conditions:

**Test 1:** High-acid baseline test (~50 g/L $H_2SO_4$), consistent with Campaign 1 of ANSTO testwork program, 2015[3];

**Test 2:** Initial low-acid column (30-50 g/L $H_2SO_4$);

**Test 3:** Low-acid column to create ILS solution for Test 4; and

**Test 4:** Stage 1 irrigated with Test 3 ILS to validate the two-stage leach concept and generate PLS for ion exchange testwork.

The low acidity application resulted in an approximate 70% reduction in acid consumption compared to what would be expected from the 2015 A-Cap Energy flowsheet, at the cost of 6-8% reduction in uranium extraction[9].

The resulting PLS from Test 4 was sufficiently low in acid (<15 g/L $H_2SO_4$) for it to be successfully purified and concentrated with ion exchange technology at ANSTO, which was then precipitated to make an acceptable uranium concentrate product.

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[7] Refer to ASX announcement dated 6 December 2024 "Letlhakane Increases Indicated Mineral Resources by 65%". For a breakdown of classification of the Letlhakane Mineral Resource classification, please see page 18 of this announcement.
[8] Refer to ACB ASX Announcement dated 11 September 2015 for previous owner's technical study
9 Refer to ASX announcement 21 October 2025.

Based on the metallurgical testwork by ANSTO, Lotus is confident an alternative flowsheet can be applied that is more efficient in acid use to maintain an optimal balance between acid consumption and uranium extraction.

The new flowsheet also simplifies the PLS processing facility by removing solvent extraction and therefore is simpler and more aligned with traditional uranium processing flowsheets.

**Study work**

Results from the ANSTO column testing program have been provided to CM Solutions (Johannesburg) to construct a dynamic model of the heap leaching system so that it can be scaled up and generate a process balance that will be used as the basis for a new process design. The outputs of the model can be used to fast track the project progression to the next study phase in the absence of larger scale testwork, and to guide larger scale testwork design.

Optimisation of the mining schedule and mining costs has been identified as a critical area of improvement for the project. Orelogy has been engaged to review the mining costs and mine scheduling with the intent of balancing the mining costs and strip ratio against processing costs and heap leach head grade. Key outcomes of this will be the optimisation of the scale of the project and investigation of potential mining scale staging.

## URANIUM MARKET DEVELOPMENTS

The uranium spot price ranged between US$75.85/lb and US$82.60/lb during the December quarter, ending the quarter near the top of this range. The spot price was supported by the Sprott Physical Uranium Trust (SPUT) buying 2.76Mlb during the quarter (Sep Q: 4.25Mlb). The total annual uranium purchases for 2025 closed at 8.46Mlb, significantly higher than 2023 and 2024 purchases of 3.89Mlb and 3.51Mlb, respectively.

The TradeTech Long-Term price increased by 4% to US$87.00/lb over the quarter. Spot transactions volumes were 12.0Mlb (Sep Q: 11.5Mlb), and 23 term contracts were signed during the quarter, following 18 contracts in the Sep Quarter. Several off-market utility discussions with preferred suppliers are in progress.

In the current uranium pricing environment, Lotus sees strategic value in preserving uncontracted pounds and building up inventories to maximise exposure to potential price upside.

**Key industry developments:**

China joined the pledge to triple nuclear by 2050, the 34$^{th}$ country to do so.

The US administration continues to support nuclear rollout. Westinghouse and its shareholders Cameco and Brookfield announced the US Government has entered into a strategic partnership to accelerate the deployment of nuclear power, which will be supported by at least US$80 billion in new reactors to be built across the USA using Westinghouse reactor technology.

- Under the new partnership, the US Government will be granted a participation interest, which, once vested, will entitle it to receive 20 percent of any cash distributions in excess of $17.5 billion made by Westinghouse.
- For the participation interest to vest, the US Government must make a final investment decision and enter into definitive agreements to complete the construction of new Westinghouse nuclear reactors in the USA with an aggregate value of at least $80 billion.

Presently, there are six Westinghouse AP1000 reactors operating around the world, with 14 additional reactors under construction and five more under contract.

In November, the USA added uranium to a government list of critical minerals. The updated US Geological Survey list adds 10 minerals to bring the total to 60. The designation of critical minerals helps guide federal policy to ensure a stable supply of these minerals.

Hyperscalers continue to invest in nuclear power:

- NextEra Energy announced two transformative agreements with Google to help meet growing energy demand from artificial intelligence (AI) with clean, reliable nuclear energy[10]. The cornerstone of this collaboration is the planned restart of the Duane Arnold Energy Center, Iowa's only nuclear facility. Once operational, Google will purchase power from the 615-MW plant as a 24/7 carbon-free energy source to help power Google's growing cloud and AI infrastructure in Iowa, while also strengthening local grid reliability.
- X-Energy Reactor Company, LLC, an advanced nuclear reactor and fuel technology company, has announced a Series C-1 financing round of approximately US$500 million, anchored by Amazon[11]. The companies will initially support a four-unit 320 MW project with regional utility Energy Northwest in central Washington with the option to increase that project to 12 units and 960 MW.

Japan Nuclear Fuel Ltd. (JNFL) received natural uranium at its enrichment plant in the village of Rokkasho, Aomori Prefecture, in northeastern Japan, for the first time in 11 years. The company resumed accepting natural uranium to meet the growing demand for enriched uranium used in nuclear power generation, in line with the restart of nuclear plants in Japan that were suspended following the March 2011 Fukushima accident.

Nigerien authorities are seeking to sell yellowcake uranium stockpiled at the Arlit site, formerly operated by French company Orano, which was forced to halt its activities following a 2023 coup d'état. According to multiple French government sources, this high-risk operation is currently under consideration by Russian and Nigerien authorities.

Kazatomprom announced notable amendments to Kazakhstan's Subsoil Use Code, granting the company priority rights to obtain exploration licenses in prospective uranium areas and to reserve mineralized blocks, while limiting other subsoil users' ability to secure production rights where uranium is discovered in their licenses:

- New uranium production agreements can only be transferred to entities in which Kazatomprom holds more than a 75% share, while extensions of existing production agreements and increases in production or reserve volumes require either a minimum 90% Kazatomprom stake in joint ventures or the transfer of uranium conversion and enrichment technologies by foreign partners.
- Additional exploration at producing deposits is reserved for Kazatomprom or entities it controls (90%), reinforcing state control over strategic uranium resources.
- The changes do not affect current joint venture ownership structures, which will remain unchanged.

News of nuclear power roll outs during the September to November period included:

**New Reactors:**

- The world's first land-based commercial small modular reactor (SMR), Linglong One, completed its cold functional test, according to developer China National Nuclear Corp (CNNC). Located in Changjiang, Hainan province, Linglong One is globally significant as the first land-based commercial modular SMR to have passed the International Atomic Energy Agency's safety review. Following this milestone, the Linglong One project is scheduled to undergo further hot functional tests and criticality tests.
- Türkiye plans to launch the first reactor of the Akkuyu Nuclear Power Plant in 2026, according to Energy and Natural Resources Minister Alparslan Bayraktar. The project, being built by Russia's Rosatom, has been delayed by equipment supply problems. Minister Bayraktar stated that electricity generation from Akkuyu will begin in 2026.
- South Korea's Nuclear Safety and Security Commission approved the operation of Unit 3 at the Saeul Nuclear Power Plant (formerly known as Kori Unit 5), with its commercial launch set for next year. The Korean-designed APR1400 reactor, for which construction began in 2016, will undergo a six-month pilot run.

[10] https://newsroom.nexteraenergy.com/2025-12-08-NextEra-Energy-and-Google-Cloud-Announce-Landmark-Strategic-Energy-and-Technology-Partnership-to-Accelerate-AI-Growth-and-Transform-the-Energy-Industry?l=12

[11] https://www.aboutamazon.com/news/sustainability/amazon-nuclear-small-modular-reactor-net-carbon-zero

**Life extensions:**

- The US Nuclear Regulatory Commission (NRC) has approved a subsequent license renewal for NextEra Energy Resources' Point Beach Nuclear Plant Units 1 and 2 (591 MWe PWRs), which will extend operations through 2050 and 2053, respectively
- To enable the continued operation of the Borssele Nuclear Power Plant beyond 2033, the Dutch cabinet has submitted an amendment to the Nuclear Energy Act to the House of Representatives. The single-unit (485 MWe PWR) Borssele Plant has been in operation since 1973 and is scheduled to close in 2033, but the government has requested it remain in operation until 2054, if this can be done safely.
- Spanish energy companies Iberdrola, Endesa, and Naturgy have requested to extend the operational life of their two-unit Almaraz Nuclear Power Plant by about three years, until June 2030.

**Power ups / shutdowns:**

- China has connected a new Hualong One nuclear reactor - Unit 2 at the Zhangzhou Nuclear Power Plant in Fujian Province, which began generating electricity on November 22. The connection marks the pivotal transition of the Zhangzhou facility, the world's largest Hualong One base, to a live power source. Once fully completed, the site will house six reactors with a total installed capacity of about 7.2GW.
- The Palisades Nuclear Power Plant in Covert Township, Michigan, has received new nuclear fuel–68 assemblies in total–achieving a major milestone on the path to restarting the plant.
- Japan took the final step to allow the world's largest nuclear power plant, the Kashiwazaki-Kariwa Nuclear Power Plant, to resume operations, a watershed moment in the country's return to nuclear energy nearly 15 years after the Fukushima accident. TEPCO plans to restart Unit 6 on January 20 and return it to commercial operation on February 26, 2026. The key consent was granted by Niigata Governor Hideyo Hanazumi, who conveyed his approval for the restart of Units 6 and 7 (1,315 MWe BWRs) at the plant.
- Hokkaido Governor Naomichi Suzuki announced his approval for the restart of Unit 3 at Hokkaido Electric Power's Tomari nuclear power plant. Hokkaido Electric aims to restart the reactor in 2027.

## SUSTAINABILITY

During the three-month period ended 31 December 2025, there were no reportable health and safety incidents. The 12-month rolling Total Recordable Injury Frequency Rate (TRIFR) was at 5.15 (per million hours worked), while the Lost Time Injury Frequency Rate (LTIFR) remained at zero. The operation is on track to achieve two million LTI-free person days by the end of January, a significant milestone that reflects a strong safety culture across the workforce.

Lotus issued its 5th annual Sustainability Report https://lotusresources.com.au/documents/2025-esg-report.

During the quarter, Lotus participated in and supported a range of community and education initiatives. Lotus continued its support for communities surrounding the Kayelekera and Letlhakane uranium projects, with education-focused initiatives remaining a priority. It also donated backpacks, water bottles and stationery to students across 13 schools in northern Malawi, supporting access to essential learning materials.

In November 2025, Lotus attended the Karonga–Chitipa Heritage Cultural Festival and provided a donation of MWK 8 million towards the event. Lotus was also invited to establish a booth at the festival to display project-related information and community engagement activities.

Lotus also supported schools within the Wiliro Education Zone, the education zone closest to the Kayelekera Mine, by funding the printing of approximately 60,000 examination pages. This support was provided to eight primary schools and one Community Day Secondary School, assisting schools to deliver assessments effectively during the academic period.

In November 2025, the Lotus Marula Giants, a team comprising Botswana-based employees and contractors, participated in a community fundraising football tournament organised by the Gojwane Old Stars Social Club.

The initiative raised funds for the purchase of essential hygiene items for Bonwatlou Junior Secondary School in Serule. Lotus' participation supported community engagement and contributed to improved access to basic necessities for students. As part of the fundraising arrangements, each participating team contributed through the purchase of food plates, with all proceeds directed to the cause. The Lotus Marula Giants were pleased to take part in the event and were successful in winning their fixtures.

## CORPORATE

### Cash Position and Expenditure

As at 31 December 2025, Lotus had cash of A$56.2M (unaudited)[12] (30 September 2025: A$96.7M), exclusive of restricted cash of US$10.0M which forms cash collateral for the Kayelekera environmental bond.

The cash balance decreased by A$40.5M from the 30 September 2025 quarter. As outlined in the Appendix 5B for the period ended 31 December 2025, net cash used in operating activities was A$1.5M (which primarily related to Corporate and Administrative expenses, including Staff Costs), while payments for exploration & evaluation which were classified as investing activities expenditure, amounted to A$1.3M (which relates to studies and infill drilling at Letlhakane). A$39.3M was spent on investing activities associated with property, plant, equipment and other assets associated with the Accelerated Restart of Kayelekera.

### Debt Financing

As at 31 December 2025, Lotus Africa has drawn down US$2.6m on the equipment finance facility of US$8.5m with First Capital Bank plc[13]. After the end of the quarter, the Company drew down a further US$4.8M, taking total draw downs to US$7.4M. This facility was used to fund the mobile equipment and mining equipment, with the lender providing 70% of the cost of mobile equipment and 80% of light vehicles and buses.

Lotus also continues to consider other debt facilities including working capital facilities as longer term features of the capital structure. In light of initial shipments in the near term, the Company is also considering a number of potential inventory financing structures for its product.

### Share Capital

As at 31 December 2025, the Company had 2,717,350,093 ordinary fully paid shares, with 3,387,821 shares issued during the quarter including 1,210,524 shares issued as part of the equity placement at $0.19 per share to Directors and 2,177,297 shares issued following the exercise of nil exercise price options.

The Company had 31,300,371 granted options with various vesting and expiration dates as at 31 December 2025. Except for 8,000,000 options exercisable at $0.30, all options have a nil exercise price. 3,721,914 options were issued during the quarter; 2,177,297 options were cancelled following exercise and 377,075 were cancelled due to failure to meet vesting conditions.

The Company issued 21,153,251 Performance Rights during the quarter.

### Share Capital Consolidation

On 16 January 2026, the Company received shareholder approval to consolidate the Company's share capital on a 11.5-for-1 basis (Consolidation). Following the Consolidation, the Company had 236,291,354 ordinary fully paid shares and 2,721,774 granted options with various vesting and expiration dates. Except for 695,656 options exercisable at $3.45, all options have a nil exercise price. The Company also had 1,839,416 Performance Rights.

[12] Exchange rate assumption of 0.6613 AUD:USD. The Company had US$29.6M in cash and cash equivalents (excluding restricted cash), with the majority of other cash and cash equivalents holdings AUD denominated.
[13] Refer to ASX Announcement dated 31 July 2025.

### Payments to Related Parties

The Company's Non-Executive Chairman, Mr Michael Bowen, is a partner of law firm, Thomson Geer. There were no payments made to Thomson Geer during the December quarter.

Payments to all directors for executive and non-executive directors' fees in the quarter were $262k.

## TENEMENT INTERESTS

The Company's tenement interests as at 31 December 2025 are shown in Table 3.

**Table 3: Tenement interests as at 31 December 2025**

| Tenement | Ownership | Area km$^2$ | Registered Holder | Location |
|---|---|---|---|---|
| ML0152 - Kayelekera | 85% | 55.5 | Lotus Africa Limited | Malawi |
| EL852 – Nthalire | 85% | 32.65 | Lotus Africa Limited | Malawi |
| EL502 - Juma-Miwanga | 85% | 24.95 | Lotus Africa Limited | Malawi |
| EL595 – Livingstonia | 85% | 5.64 | Lotus Africa Limited | Malawi |
| EL583 - Livingstonia West | 85% | 17.42 | Lotus Africa Limited | Malawi |
| PL 2482/2023 | 100% | 119.66 | Lotus Marula Botswana Pty Ltd | Botswana |
| ML 2016/16L | 100% | 131.18 | Lotus Marula Botswana Pty Ltd | Botswana |

## REFERENCE TO PREVIOUS ASX ANNOUNCEMENTS

In relation to information in this announcement that relates to previously reported exploration results, the dates of which are referenced, Lotus confirms that that it is not aware of any new information or data that materially affects the information included in that announcement.

In relation to information in this announcement that relates to Mineral Resources or Ore Reserves, please refer to page 16 of this announcement.

This ASX announcement was approved and authorised by the Managing Director of Lotus Resources Limited.

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## FORWARD LOOKING STATEMENTS

This announcement contains certain forward-looking statements. Forward looking statements include those containing words such as: "anticipate", "believe", "expect", "estimate", "should", “will", "plan", "could", "may", "intends", "guidance", "project", "forecast", "target", "likely", “continue”, “objectives” and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, the certain plans, strategies and objectives of the Company and other matters. Any forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies which are subject to change without notice and involve known and unknown risks and uncertainties and other factors which are beyond the control of the Company and its officers, employees, agents, associates and advisers. This includes any statements about market and industry trends, which are based on interpretations of market conditions. Forward looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Readers are cautioned not to place undue reliance on forward-looking statements. Actual results may differ materially from those expressed or implied in such statements. Except as required by law or regulation (including the ASX Listing Rules), the Company undertakes no obligation to update these forward-looking statements or to provide any other additional or updated information whether as a result of new information, future events or results or otherwise.

To the maximum extent permitted by law, the Company and its officers, employees, agents, associates and advisers do not make any representation or warranty, express or implied as to the currency, accuracy, reliability or completeness of any forward-looking statements, or the likelihood of fulfilment of any forward-looking statement, and disclaim all responsibility and liability for the forward-looking statements (including, without limitation, liability for negligence). There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. The forward-looking statements are based on information available to the Company as at the date of this announcement.

## DISCLAIMER

This announcement has been prepared by the Company based on information from its own and third-party sources and is not a disclosure document. It does not purport to contain all the information that a prospective investor may require in connection with any potential investment in the Company. It should be read in conjunction with, and full review made of, the Company’s disclosures and releases lodged with the Australian Securities Exchange (ASX) and available at www.asx.com.au under the Company’s ticker code (ASX: LOT). Each recipient must make its own independent assessment of the Company and should seek professional advice before acquiring any shares in the Company.

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## ABOUT LOTUS

Lotus is a leading Africa-focused uranium producer with significant scale and Mineral Resources. Lotus owns an 85% interest in the Kayelekera Uranium Mine in Malawi, and 100% of the Letlhakane Uranium Project in Botswana.

Lotus restarted production at Kayelekera in August 2025, on time and on budget. The Kayelekera Mine hosts current Mineral Resources and Ore Reserves as set out in the tables below and historically produced ~11MIb of uranium between 2009 and 2014. The Letlhakane Project hosts a current Mineral Resource also as set out in the table below.

### LOTUS MINERAL RESOURCE INVENTORY – DECEMBER 2024[14, 15, 16, 17, 18]

| Project | Category | Mt | Grade ($U_3O_8$ ppm) | $U_3O_8$ (M kg) | $U_3O_8$ (M lbs) |
|---|---|---|---|---|---|
| Kayelekera | Measured | 0.9 | 830 | 0.7 | 1.6 |
| Kayelekera | Measured – RoM Stockpile[19] | 1.6 | 760 | 1.2 | 2.6 |
| Kayelekera | Indicated | 29.3 | 510 | 15.1 | 33.2 |
| Kayelekera | Inferred | 8.3 | 410 | 3.4 | 7.4 |
| Kayelekera | Total | 40.1 | 510 | 20.4 | 44.8 |
| Kayelekera | Inferred – LG Stockpiles[20] | 2.4 | 290 | 0.7 | 1.5 |
| **Kayelekera** | **Total – Kayelekera** | **42.5** | **500** | **21.1** | **46.3** |
| Letlhakane | Indicated | 71.6 | 360 | 25.9 | 56.8 |
| Letlhakane | Inferred | 70.6 | 366 | 25.9 | 56.9 |
| **Letlhakane** | **Total – Letlhakane** | **142.2** | **363** | **51.8** | **113.7** |
| Livingstonia | Inferred | 6.9 | 320 | 2.2 | 4.8 |
| **Livingstonia** | **Total – Livingstonia** | **6.9** | **320** | **2.2** | **4.8** |
| **Total** | **All Uranium Mineral Resources** | **191.6** | **392** | **75.1** | **164.8** |

### LOTUS ORE RESERVE INVENTORY – JULY 2022[21]

| Project | Category | Mt | Grade ($U_3O_8$ ppm) | $U_3O_8$ (M kg) | $U_3O_8$ (M lbs) |
|---|---|---|---|---|---|
| Kayelekera | Open Pit - Proved | 0.6 | 902 | 0.5 | 1.2 |
| Kayelekera | Open Pit - Probable | 13.7 | 637 | 8.7 | 19.2 |
| Kayelekera | RoM Stockpile – Proved | 1.6 | 760 | 1.2 | 2.6 |
| Kayelekera | **Total** | **15.9** | **660** | **10.4** | **23.0** |

[14] See ASX announcement dated 15 February 2022 entitled "Kayelekera mineral resource increases by 23%" for information on the Kayelekera Mineral Resource Estimate. The competent person for that announcement was David Princep.
[15] The Kayelekera Mineral Resource Estimate is inclusive of the Kayelekera Ore Reserves.
[16] See ASX announcement dated 9 June 2022 entitled "Uranium Resource Increases to 51.1Mlbs" for information on the Livingstonia Mineral Resource Estimate. The competent person for that announcement was David Princep.
[17] See ASX Announcement dated 6 December 2024 for information on the Letlhakane Mineral Resource Estimate.
[18] Lotus confirms that it is not aware of any new information or data that materially affects the information included in the respective Mineral Resource announcements of 15 February 2022, 6 June 2022 and 6 December 2024 and that all material assumptions and technical parameters underpinning the Mineral Resource Estimates in those announcements continue to apply and have not materially changed. Lotus confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from those market announcements.
[19] RoM stockpile has been mined and is located near mill facility.
[20] Low-grade stockpiles have been mined and placed on the medium-grade stockpile and are considered potentially feasible for blending or beneficiation, with initial studies to assess this optionality already completed.
[21] Ore Reserves are reported based on a dry basis. Proved Ore Reserves are inclusive of RoM stockpiles and are based on a 200ppm cut-off grade for arkose and a 390ppm cut-off grade for mudstone. Ore Reserves are based on a 100% ownership basis of which Lotus has an 85% interest. Except for information in the Accelerated Restart Plan announced on the ASX on 8 October 2024, Lotus confirms that it is not aware of any new information or data that materially affects the information included in the announcement of 11 August 2022 and that all material assumptions and technical parameters underpinning the Ore Reserve Estimate in that announcement continue to apply and have not materially changed. Lotus confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the 11 August 2022 announcement.

# Appendix 5B

# Mining exploration entity or oil and gas exploration entity quarterly cash flow report

| Name of entity | |
|---|---|
| Lotus Resources Limited | |
| **ABN** | **Quarter ended ("current quarter")** |
| 38 119 992 175 | 31 December 2025 |

| | **Consolidated statement of cash flows** | **Current quarter $A'000** | **Year to date (6 months) $A'000** |
|---|---|---|---|
| **1.** | **Cash flows from operating activities** | | |
| 1.1 | Receipts from customers | - | - |
| 1.2 | Payments for | | |
| | (a) exploration & evaluation | - | - |
| | (b) development | - | - |
| | (c) production | - | - |
| | (d) staff costs | (1,006) | (1,945) |
| | (e) administration and corporate costs | (805) | (2,042) |
| 1.3 | Dividends received (see note 3) | - | - |
| 1.4 | Interest received | 469 | 1,440 |
| 1.5 | Interest and other costs of finance paid | (199) | (217) |
| 1.6 | Income taxes paid | - | - |
| 1.7 | Government grants and tax incentives | - | - |
| 1.8 | Other (R&D tax refund) | - | 67 |
| **1.9** | **Net cash from / (used in) operating activities** | **(1,541)** | **(2,697)** |

| | | | |
|---|---|---|---|
| **2.** | **Cash flows from investing activities** | | |
| 2.1 | Payments to acquire or for: | | |
| | (a) entities | - | - |
| | (b) tenements | - | - |
| | (c) property, plant and equipment | (39,282) | (79,297) |
| | (d) exploration & evaluation | (1,311) | (1,592) |
| | (e) investments | - | - |
| | (f) other non-current assets (office lease) | (46) | (81) |

| Consolidated statement of cash flows | | Current quarter $A'000 | Year to date (6 months) $A'000 |
|---|---|---|---|
| 2.2 | Proceeds from the disposal of: | | |
| | (a) entities | - | - |
| | (b) tenements | - | - |
| | (c) property, plant and equipment | - | - |
| | (d) investments | - | - |
| | (e) other non-current assets | - | - |
| 2.3 | Cash flows from loans to other entities | - | - |
| 2.4 | Dividends received (see note 3) | - | - |
| 2.5 | Other (provide details if material) | - | - |
| **2.6** | **Net cash from / (used in) investing activities** | **(40,639)** | **(80,970)** |

| | | | |
|---|---|---|---|
| **3.** | **Cash flows from financing activities** | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | 230 | 65,230 |
| 3.2 | Proceeds from issue of convertible debt securities | - | - |
| 3.3 | Proceeds from exercise of options | - | - |
| 3.4 | Transaction costs related to issues of equity securities or convertible debt securities | (29) | (3,975) |
| 3.5 | Proceeds from borrowings | 3,964 | 3,964 |
| 3.6 | Repayment of borrowings | - | - |
| 3.7 | Transaction costs related to loans and borrowings | - | - |
| 3.8 | Dividends paid | - | - |
| 3.9 | Other (provide details if material) | - | - |
| **3.10** | **Net cash from / (used in) financing activities** | **4,165** | **65,219** |

| | | | |
|---|---|---|---|
| **4.** | **Net increase / (decrease) in cash and cash equivalents for the period** | | |
| 4.1 | Cash and cash equivalents at beginning of period | 96,674 | 75,933 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (1,541) | (2,697) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (40,639) | (80,970) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | 4,165 | 65,219 |

| Consolidated statement of cash flows | | Current quarter $A'000 | Year to date (6 months) $A'000 |
|---|---|---|---|
| 4.5 | Effect of movement in exchange rates on cash held | (2,495) | (1,321) |
| **4.6** | **Cash and cash equivalents at end of period** | **56,164** | **56,164** |

| 5. | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter $A'000 | Previous quarter $A'000 |
|---|---|---|---|
| 5.1 | Bank balances | 22,693 | 45,700 |
| 5.2 | Call deposits | 33,471 | 35,681 |
| 5.3 | Bank overdrafts | - | - |
| 5.4 | Other (Term Deposits < 3 Months) | - | 15,293 |
| **5.5** | **Cash and cash equivalents at end of quarter (should equal item 4.6 above)** | **56,164** | **96,674** |

| 6. | Payments to related parties of the entity and their associates | Current quarter $A'000 |
|---|---|---|
| 6.1 | Aggregate amount of payments to related parties and their associates included in item 1 | 262 |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | - |

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*

Item 6.1 of $262K includes payments related to all Directors for fees, superannuation, and reimbursement of travel expenses.

| 7. | **Financing facilities**<br>*Note: the term "facility' includes all forms of financing arrangements available to the entity.*<br>*Add notes as necessary for an understanding of the sources of finance available to the entity.* | **Total facility amount at quarter end $A'000** | **Amount drawn at quarter end $A'000** |
|---|---|---|---|
| 7.1 | Loan facilities | 12,747 | 3,964 |
| 7.2 | Credit standby arrangements | - | - |
| 7.3 | Other (please specify) | - | - |
| 7.4 | **Total financing facilities** | 12,747 | 3,964 |

| | | |
|---|---|---|
| 7.5 | **Unused financing facilities available at quarter end** | 8,783 |

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Lotus (Africa) Limited (Malawian entity) has a US$8.5M equipment finance facility with First Capital Bank plc (**Lender**) which may be used to fund 70% of the cost of mobile equipment and 80% of light vehicles and buses. The Lender will have security over the equipment financed. The facility has a term of 5 years from first drawdown (8 October 2025) with repayments monthly over equal instalments over the term of the facility (there is no repayment of principal or interest in the first 6 months). Interest will be at a floating rate of SOFR plus a premium (currently less than 10% per annum).

The Company is currently investigating working capital and prepayments facilities. Refer to the Quarterly Report for further details.

| 8. | **Estimated cash available for future operating activities** | **$A'000** |
|---|---|---|
| 8.1 | Net cash from / (used in) operating activities (item 1.9) | (2,697) |
| 8.2 | (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | (1,592) |
| 8.3 | Total relevant outgoings (item 8.1 + item 8.2) | (4,289) |
| 8.4 | Cash and cash equivalents at quarter end (item 4.6) | 56,164 |
| 8.5 | Unused finance facilities available at quarter end (item 7.5) | - |
| 8.6 | Total available funding (item 8.4 + item 8.5) | 56,164 |
| 8.7 | **Estimated quarters of funding available (item 8.6 divided by item 8.3)** | **13.1** |

*Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.*

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

| | |
|---|---|
| 8.8.3 | Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis? |
| Answer: N/A | |

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

## Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 30 January 2026.....

Authorised by: By the Board.....
(Name of body or officer authorising release – see note 4)

**Notes**

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.