

MARKET ANNOUNCEMENT

Company Update

Strike Resources Limited (ASX:SRK) (**Strike**) is pleased to provide the following Company update.

Completion of Sale of Paulsens East Iron Ore Project

On 8 March 2024,¹ after the receipt of shareholder approval,² Strike completed the sale of its Paulsens East Iron Ore Project (**Paulsens East**) in consideration of \$20.5 million cash. Strike received a \$2 million deposit on execution of the sale agreement in December 2023³ and \$18 million at completion on 8 March 2024. Strike also discharged a US\$7.2 million (~\$11.26 million) loan⁴ at completion. Strike advises that the final \$0.5 million deferred consideration is pending receipt.

Strike's current cash position is approximately \$6.6 million; Strike also holds 30,010,000 shares (27.7%) in Lithium Energy Limited (ASX:LEL) worth \$11.25 million (at \$0.375 per share, as at 4 July 2024).

ASX Listing Rule Requirements

ASX has advised Strike that:

- ASX is not aware of any reason why Strike's operations are not presently adequate to warrant the continued quotation of its securities pursuant to Listing Rule 12.1;
- This determination does not preclude Strike from being suspended in the future pursuant to Listing Rule 12.1; and
- ASX will continue to monitor Strike's compliance with Listing Rule 12.1.⁵

Advancement of Apurimac Iron Ore Project

When announcing the proposed sale of Paulsens East, Strike advised that it intended to focus on the advancement of its Apurimac Iron Ore Project in Peru (**Apurimac**) following completion of the transaction. In the last six months' Strike has continued to advance the development of its 80% owned Apurimac Project, including:

- (a) appointing a full-time CEO for Peru operations, to advance Strike's operations in Peru, both on a short-term basis to restart production together with longer term aims to develop a more substantial iron ore operation at Apurimac;

1 Refer Strike's ASX Announcement dated 8 March 2024: Completion of Disposal of Paulsens East Iron Ore Project

2 Refer Strike's ASX Announcement dated 6 March 2024: Results of General Meeting

3 Refer Strike's ASX Announcement dated 3 January 2024: Proposed Divestment of Paulsens East Iron Ore Project

4 Refer Strike's ASX Announcements dated 28 February 2022: Funding Secured and Production to Commence at Paulsens East Iron Ore Project, 16 December 2022: Update on Paulsens East Project Financing and 4 April 2023: Further Update on Paulsens East Project Financing

5 Refer also Strike's ASX announcement dated 3 January 2024 titled 'Proposed Divestment of Paulsens East Iron Ore Project'.



- (b) undertaking a management site visit in February 2024 to meet with various stakeholders required for a recommencement of mining operations, including visits to potential crushing plants and the Port, discussions with mining services contractors, the local offices of international trading houses (who have offered joint venture, offtake and hedging facility arrangements), owners of other nearby iron ore projects close to Apurimac (who have put forward proposals to combine various aspects of mining operations such as a joint crushing facility and shared trucking operations);
- (c) engaging with local artisanal miners to undertake mining activities within the Apurimac concessions as part of start-up activities as well as seeking to finalise trucking, crushing and Port access arrangements for the mining and export of iron ore at Apurimac;
- (d) commencing deployment of a Community Relations strategy by tasking its Community Relations Specialist to implement a local community relations programme to facilitate both a potential short term start-up of mining operations as well as advance the larger and more fundamental commercial objective of expanding the current iron ore resource at Apurimac (as part of its long standing strategic objectives since the asset was acquired in 2006) to commence long term substantial iron ore production from Apurimac;
- (e) engaging a Geological Specialist to implement a comprehensive geological assessment programme at Apurimac;
- (f) expanding its logistics/administration support personnel (including staff based in Andahuaylas, near the Apurimac site, located ~450kms by air from Lima, the capital of Peru);
- (g) actively engaging with Peruvian Government departments/authorities to explore opportunities for involvement in the Government's port and rail initiatives and to identify ways to expedite the approval process for the Company's mining permits;
- (h) engaging with a number of international trading houses who are interested in providing project financing, hedging and/or offtake in respect of Apurimac; and
- (i) engaging with several traders who are interested in purchasing Apurimac iron ore on an "Ex-Mine Gate" basis.

Strike intends to pursue a multi-faceted, non-mutually exclusive and staged development pathway for Apurimac, with the following broad objectives:

(1) Potential Recommencement of Small-Scale Mining

- (a) This involves the recommencement of small-scale surface mining operations using local artisanal miners with screening operations at the mine site(s); screened run-of-mine (**ROM**) iron ore will be stockpiled initially at suitable locations at or near the mine site; upon execution of a sale contract, the iron ore will be transported by truck to either a crushing plant located near the Port, or directly to Port for export (if the ROM material is within the size specifications of the buyer).
- (b) Sale contracts may be entered into on the basis of ex-mine gate, ex-crushing plant, FOB or CFR basis to local traders/buyers or to overseas buyers on a shipment-by-shipment basis or under a longer term supply contract.
- (c) Strike will consider securing prepayment financing from the buyer, fixing the sale price with the buyer (having regard to prevailing futures iron ore prices at the time of sale) and or entering into separate price hedging arrangements to de-risk all or part of the uncertainty of benchmark iron ore price fluctuations between the date of the sale contract and the final price calculated when the shipment arrives in the discharge port (as applicable).
- (d) This strategy is a continuation of the methodology previously adopted for the iron ore shipments shipped by Strike from Peru in 2021 (to China on CFR basis and to Chile on FOB basis) and capitalises on appropriate iron ore prices being achieved and is not considered the primary driver of the long-term plans for Apurimac.

- (e) Strike notes that the preferred export Port is subject to annual export capacity limits which Strike understands the Port operator is seeking to expand and is also subject to annual refreshment. Accordingly, Strike's export operations will need to have regard to the Port export limits in this regard – this will affect Strike's iron ore sales (in terms of overall quantities and timing of shipments) and may require stock-piling of iron ore prior to available shipping windows or intermittent suspension and resumption of mining operations.
- (f) Strike will commence small-scale mining operations only after finalising agreements (on acceptable terms) with relevant local artisanal miners (who are also local community members), an iron ore buyer, the Port operator (including addressing export limitations and available shipment windows) and where applicable, truck transport operators, the crushing plant and a charter party (ie. shipping contract); Strike will also need to secure financing arrangements and a price hedge if required – for example, a sale ex-mine gate based on the prevailing benchmark iron ore price is able to be funded within Strike's existing cash reserves (without a price hedge) whereas a sale on a CFR, China basis will likely require additional financing and also either a fixed price contract or a price hedge for all or a portion of the shipment.
- (g) Strike envisages 'steady state' operations to involve engagement of local miners to stock-piling ROM iron ore at or near the mine site with transportation to the crushing plant and Port only commencing upon securing a sale contract and if applicable, financing arrangements and a price hedge, on acceptable terms.
- (h) These operations are relatively high cost (due to there being limited economies of scale) and are highly sensitive to iron ore prices and will need to be structured to be able to be turned on or off at relatively short notice and cost.
- (i) Subject to the matters/considerations outlined above, Strike envisages commencement of small-scale operations within the next ~3 to 6 months, with operations being maintained subject to the same matters/considerations.

(2) Potential Transition to Medium-Scale Mining

- (a) This involves undertaking surface mining on a medium-scale (outside the limited scale regime operated by local artisanal miners), with Strike exclusively undertaking organised mining operations directly.
- (b) Strike envisages developing an optimised mine pit design(s) and mining schedule(s), using in-house or external crushing plant(s) and trucking fleet, with more significant offtake agreements in place to provide more certainty.
- (c) Strike will utilise the cash profits generated from small-scale mining operations to fund a majority of the expansion costs to medium-scale mining operations.
- (d) This is planned to occur on a staged basis, with the use of external mining services operators initially until Strike is able to build up capital to invest in a crushing plant and trucking fleet capable of sustaining operations at a lower operating cost (and therefore a higher operating margin).
- (e) Strike will need to obtain regulatory approvals and permits and local community approvals (**Approvals**) to undertake an assessment of suitable mining areas, including drilling, trenching, bulk sampling and test work programmes (**Test Works**), preparatory site works (including mine access roads, ROM pads, stock-pile areas, waste dump areas, machinery laydown areas and other site infrastructure) and environmental works (including rehabilitation of areas arising from small-scale mining operations by local artisanal miners) (**Site Works**).
- (f) Strike may undertake a transition from small-scale to medium scale mining operations only after generating sufficient cash profits from small-scale mining operations, securing Approvals and completing the Test Works (with satisfactory results), securing mine operation (eg. mine workers/contractors, crushing plant, truck transportation operators) contracts, one or more offtake agreements, financing arrangements and price hedging (where applicable) (on favourable terms) and completing the Site Works (within budget and the financial and non-financial parameters set by Strike) and subject to iron ore prices and market conditions.
- (g) Subject to the matters/considerations outlined above, Strike envisages potential commencement of medium scale operations within ~12 to 24+ months.

(3) Assessing Feasibility of Large-Scale Development

- (a) This involves initially, engagement with the Peruvian Government, developers/proponents and stakeholders vis a vis Strike as a potential end-user/customer and potential co-developer or other form of participant in the proposed Andahuaylas Railway and new Port to be constructed at San Juan de Marcona⁶.
- (b) Subject to the outcomes of these engagements and commercial arrangements (if any) entered into related thereto, Strike will undertake feasibility studies to update Strike's previous 2008⁷/2010⁸ mining studies for a larger scale mining operation using the Andahuaylas Railway for export of iron ore from the San Juan de Marcona Port.
- (c) The required scope and parameters of the updated feasibility studies will be assessed after engagement with relevant consulting firm(s).
- (d) Strike notes that it may need to increase or upgrade its existing JORC Mineral Resource as part of its updated feasibility studies – if so, it will need to secure Approvals to undertake the Test Works (and potentially further drilling).
- (e) Subject to the matters/considerations outlined above, Strike envisages potential commencement of updated feasibility studies within the next ~6 to 12+ months, with completion within ~6 to 12+ months thereafter (subject to there being no requirement to undertake further drilling to expand the current JORC Mineral Resource at Apurimac). If further drilling is required, this may add up to a further ~12 to 18+ months to the timetable.

Strike notes that the above development options are not necessarily mutually exclusive and, in the case of the feasibility studies, can be undertaken in parallel with (small-scale or medium-scale) surface mining operations.

The initiation and pace of advancement of each component of the above development options will be a function of a number of factors, including benchmark iron ore prices, market conditions, the ability of Strike to secure offtake and hedging (on favourable terms), the applicable regulatory regime (including at the Port), negotiations with local communities (whose members are also the local artisanal miners) and contractors, access to capital (including project and or prepayment financing) and the expected profitability of surface mining operations.

Strike is engaging in preliminary discussions with the Peruvian Government, developers/proponents and stakeholders in relation to Strike's potential involvement with the development of the San Juan de Marcona Port and Andahuaylas Railway. Strike is currently investigating an initial development approach involving small-scale surface mining operations, with a view to a potential transition to medium-scale surface mining and subject to achieving success in this regard, initiating updated feasibility studies (on a large-scale development of Apurimac) as a parallel exercise.

An illustrative 12 month work programme of Strike's proposed activities at Apurimac, with anticipated total costs of up to ~\$1.8M to \$2.3M⁹ (including administration expenses attributable to Apurimac/Peru but excluding Strike corporate overheads and excluding mining operations (referred to below)), are as follows:

6 Refer Strike's ASX Announcements dated:

- (a) 27 May 2024: Significant Port and Rail Infrastructure Development Update in Peru
- (b) 5 December 2019: Railway Project Gathers Momentum in Peru – Positive Outlook for Strike's Apurimac Iron Ore Project
- (c) 18 April 2019: Strike Enters into Cooperation Agreement with Peru Railway Consortium
- (d) 24 October 2018: Peru Government Awards \$13 Million Tender for Andahuaylas Railway Study Linking Strike's Apurimac Iron Ore Project to Port
- (e) 8 February 2018: Peru Government Plans Railway Linking Strike's Apurimac Iron Ore Project to Port

7 Refer Strike's ASX Announcement dated 23 July 2008: Prefeasibility Results Confirm World Class Prospects in Peru

8 Refer Strike's ASX Announcement dated 23 November 2010: Apurimac Project Update and Strike's December 2010 Quarterly Report

9 Based on an exchange rate of A\$1.00 : US\$0.65 in respect of costs denominated in US\$

(1) Project Planning and Feasibility Assessment:

- (a) Strike's February 2024 site visit and financial modelling have confirmed the parameters for the economic viability of small-scale surface mining operations, having regard to access to local artisanal miners, benchmark iron ore prices, regulatory requirements and access to mining services and logistics contractors.
- (b) Strike plans to conduct a geological review of the Apurimac mineral concessions to identify prospective areas for small-scale mining, resource definition/upgrade/step-out drilling and further exploration programmes. A budget of up to ~\$50K has been allocated for this review. An exploration programme will be developed after this geological review and an assessment of the regulatory and local community approvals required to undertake the same. Strike envisages the cost of an initial exploration programme (subject to receipt of approvals) may be up to ~\$750k, with up to ~\$250k to \$500k budgeted for the next 12 months. Further exploration programmes will be developed after a review of the results of the previous programme and an assessment of Strike's priorities in relation to the development of Apurimac.
- (c) The commencement of mining operations will depend on Strike's assessment of the mining, export and price hedging costs and the likely sales revenue (given final iron ore invoice amounts are typically based on the benchmark iron ore price post-delivery) and access to working capital.

(2) Mining Approvals and Regulatory Compliance:

- (a) Strike notes that local artisanal miners will need to secure and hold the necessary permits and licences required for small-scale mining in Peru.
- (b) Strike has identified the necessary permits and licences required for larger-scale mining in Peru. A work programme has been developed to ensure compliance with local regulations governing environmental impact assessment, community engagement and land access agreements. A budget of up to ~\$150k has been allocated for this work programme.

(3) Mine Design and Infrastructure Development:

- (a) A work programme is currently being developed for site preparation, land access and clearing, access road/Infrastructure construction, pit design/scheduling to support and optimise the operational needs of the project. A budget of up to ~\$500k has been allocated for this work programme, with up to ~\$250k budgeted for the next 12 months.

(4) Mining Operations:

- (a) Mining methods and suppliers for small-scale mining have been identified, with operational procedures established for ore extraction, processing, transportation, and ship loading.
- (b) Strike has developed monthly operational cost budgets depending on the point of sale for Apurimac iron ore products (ex-Mine Gate, FOB or CFR China).
- (c) On the basis of Strike stockpiling ROM iron ore at or near the mine site (pending trucking to the crushing plant or directly to the Port for export), Strike is budgeting a monthly cost of up to ~\$500k.
- (d) On the basis of completing regular shipments over a 12 month period, Strike is budgeting an additional monthly cost of up to ~\$5.5M – this assumes a CFR, China sale and includes shipping costs. These additional costs will not be incurred unless Strike has entered into a sale contract (on acceptable terms), which will enable Strike to commit to transporting the iron ore from the stockpile area to the crushing plant or Port for export.

(5) Community Engagement and Social Responsibility:

- (a) Strike is committed to engaging with local communities and stakeholders to address concerns, promote dialogue, and support local development through initiatives such as job creation and infrastructure investment. A budget of up to ~\$250k has been allocated for this work programme.

(6) Safety and Security Management:

- (a) Comprehensive safety and security protocols are planned to be established to protect workers and minimise the risk of incidents and to ensure a safe working environment. A budget of up to ~\$350k has been allocated for this work programme.

These estimated budgets are a statement of current intentions and, as with any budget, intervening events and new circumstances have the potential to affect the ultimate way funds will be applied, including the outcome of work programmes, regulatory developments and general market or economic conditions. Actual expenditure may differ significantly from the above estimates due to changed circumstances and Strike reserves the right to alter the way funds are applied on this basis.

Other Projects

Strike may also pursue other investment opportunities in the resource sector in Australia and overseas if it is in the interests of the Company and shareholders, subject to the results of its Apurimac operations in Peru and the relative prospects of any new proposed project.

ASX has noted that it may require Strike to re-comply with Chapters 1 and 2 of the Listing Rules in the event Strike proposes to undertake an acquisition or transaction that warrants the application of Chapter 11 of the Listing Rules.

About Apurimac Iron Ore Project

Strike secured Apurimac in 2006¹⁰, which is recognised as one of the highest grade, large scale magnetite projects in the world with the potential to support the establishment of a significant iron ore operation.

A **JORC Indicated and Inferred Mineral Resource of 269Mt of iron ore at 57.3% Fe** has been defined at the main Opaban 1 and Opaban 3 concessions, consisting:¹¹

- a 142.2 Mt Indicated Mineral Resource at 57.8% Fe; and
- a 127.2 Mt Inferred Mineral Resource at 56.7% Fe.

Category	Concession	Density t/m ³	Mt	Fe%	SiO ₂ %	Al ₂ O ₃ %	P%	S%
Indicated	Opaban 1	4	133.71	57.57	9.46	2.54	0.04	0.12
Indicated	Opaban 3*	4	8.53	62.08	4.58	1.37	0.07	0.25
Inferred	Opaban 1	4	127.19	56.7	9.66	2.7	0.04	0.2
Total Indicated and Inferred			269.4	57.3	9.4	2.56	0.04	0.16

Refer Strike's ASX Announcement dated 20 January 2015: Apurimac Mineral Resources Updated to JORC 2012 Standard.

* The Opaban 3 Mineral Resource has been diminished by production and sales of 50,095 tonnes of lump iron ore grading 65.78% Fe, 2.42% SiO₂, 0.72% Al₂O₃, 0.057% P and 0.09% S.

In addition to the current JORC Mineral Resource, there is significant exploration potential given the deposits are open at depth and along strike (with very promising drill results including 154m @ 62% Fe) with extensive undrilled gravity and magnetic anomalies.

10 Refer Strike's ASX Announcement dated 24 May 2006: Apurimac and Cuzco Iron Ore Projects - Peru

11 Refer Strike's ASX Announcement dated 20 January 2015: Apurimac Mineral Resources Updated to JORC 2012 Standard

Strike completed a Pre-Feasibility Study (for a 20Mtp operation that consideration a slurry pipeline and railway transportation option from the mine site to a new port) in 2008¹², which was updated in 2010¹³.

Strike has completed 3 sales of iron ore from Apurimac:

- (a) In December 2013, under a pilot operation, ~ 8kt of direct-shipping ore (**DSO**) (+64% Fe) was mined from surface outcrops by local artisanal miners and sold to a local steel plant for use in their blast furnace to produce steel for the domestic market¹⁴; and
- (b) In August and October 2021, two shipments totalling 50kt of high-grade (+65% Fe) Apurimac DSO were made to Chinese and South American Steel Mills, again utilising local artisanal miners¹⁵.

Local artisanal miners are permitted to mine up to 350t/day (or ~125ktpa) from specific portions of a mining concession (with reduced timetables and simplified processes for obtaining environmental and other permitting).

In 2018, Strike announced the Peruvian Government's plans to construct a railway linking Strike's Apurimac Project to the port of San Juan de Marcona.¹⁶ This initiative marked the beginning of significant advancements in Peru's infrastructure development efforts. The Marcona-Andahuaylas Railway is envisaged as a transformative link between the coastal and mountainous regions of southern Peru. With a length of 560km and strategic stops in key economic hubs, including Ica, Arequipa, Ayacucho, and Apurimac, this railway is anticipated to benefit over 4 million people.



Figure 1: Strike Apurimac Iron Ore Project, showing route of proposed Marcona-Andahuaylas Railway

12 Refer Strike's ASX Announcement dated 23 July 2008: Prefeasibility Results Confirm World Class Prospects in Peru

13 Refer Strike's ASX Announcement dated 23 November 2010: Apurimac Project Update and Strike's December 2010 Quarterly Report

14 Refer Strike's ASX Announcement dated 31 January 2014: Quarterly Activities and Cashflow Reports

15 Refer Strike ASX Announcements dated 19 August 2021: Maiden Iron Ore Shipment from Peru and 29 October 2021: Second Iron Ore Shipment from Peru Completed

16 Refer also Strike's ASX Announcements dated:

- 8 February 2018: Peru Government Plans Railway Linking Strike's Apurimac Iron Ore Project to Port
- 24 October 2018: Peru Government Awards \$13 Million Tender for Andahuaylas Railway Study Linking Strike's Apurimac Iron Ore Project to Port
- 18 April 2019: Strike Enters into Cooperation Agreement with Peru Railway Consortium
- 5 December 2019: Railway Project Gathers Momentum in Peru – Positive Outlook for Strike's Apurimac Iron Ore Project
- 31 August 2021: Peruvian Prime Minister Confirms Railway Connecting Strike's Apurimac Project to Port

The Marcona-Andahuaylas Railway project stems from a comprehensive study commissioned by the Peruvian Government in 2019.¹⁶ Strike has been actively engaged in collaboration with the Peruvian Government's Southern Railway Study Group, contributing to the analysis of various route options. The preferred route, starting directly at the Andahuaylas Airport adjacent to Strike's Apurimac Project, is poised to optimise logistical efficiency and reduce capital costs, thereby enhancing the viability of Apurimac.

The Peruvian Government, through its Private Investment Promotion Agency (**PROINVERSIÓN**), has awarded a design, financing, construction, operation and maintenance contract for a new San Juan de Marcona Port Terminal (**Marcona Port Terminal**).¹⁷

This multipurpose megaport project is set to revitalise economic activities in southern Peru and has particular relevance to Strike as it is tied into and forms part of an integrated infrastructure plan proposed by the Government to create the Marcona-Andahuaylas Railway line which commences at the Andahuaylas Airport directly adjacent to Strike's Apurimac Project and terminates at the Marcona Port Terminal.¹⁸

The construction tender for the Marcona Port Terminal was awarded to the Chinese firm Terminal Portuario Jinzhao Perú S.A., with construction expected to begin in 2025, with Phase 1 of the port operations expected to commence two years later. This contract underscores international interest and confidence in Peru's economic prospects.

The development of the Marcona Port Terminal is relevant to Strike's Apurimac Project as it has cemented the first step in the Peruvian Government's plans to build the Marcona-Andahuaylas Railway line.

Once fully operational, the Marcona Port Terminal is projected to handle over 40Mt of freight annually, with the Government planning for Strike's Apurimac Project to potentially contribute approximately half of the Port capacity of up to 20Mtpa of iron ore.¹⁹

The convergence of the new San Juan de Marcona Port Terminal project and the Marcona-Andahuaylas Railway initiative underscores Peru's commitment to driving economic growth, fostering regional development, and improving the quality of life for its citizens. These transformative infrastructure investments are stated by the Government to herald a new era of prosperity and opportunity, positioning Peru as a dynamic hub for commerce, trade, and innovation in the South American region.

Strike is highly encouraged by these port and rail developments and remains committed to actively collaborating with the Peruvian Government and other stakeholders to ensure the successful development of Peru's port and rail infrastructure projects.

AUTHORISED FOR RELEASE - FOR FURTHER INFORMATION:

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17 Refer PROVERSION Statement dated 22 March 2024 : State awards the development of the project "New Port Terminal of San Juan De Marcona

18 Refer PROVERSION Statement dated 18 March 2024: The New Marcona Port would boost investments of more than US\$15 billion in the south of the country

19 Refer PROVERSION Presentation dated 2 May 2024: Presentation of new port investment opportunity - New Port Terminal of San Juan de Marcona

ABOUT STRIKE RESOURCES LIMITED (ASX:SRK)

Strike Resources Limited (ASX:SRK) is an ASX listed resource company which owns the high grade Apurimac Iron Ore Project in Peru where it has exported “Apurimac Premium Lump” DSO product of ~65% Fe. Strike also has a 31.01m (27.7%) shareholding in Lithium Energy Limited (ASX:LEL), which was spun-out of Strike under a \$9m IPO in May 2021. Lithium Energy is developing battery minerals related assets - the Solaroz Lithium Brine Project in Argentina and the Burke and Corella Graphite Projects in Queensland.

On 3 April 2024, Lithium Energy and NOVONIX Limited (ASX:NVX) announced the merger of their adjoining Burke and Mt Dromedary Queensland Natural Graphite Deposits into Lithium Energy subsidiary, Axon Graphite Limited (Proposed ASX Code: AXG), which will undertake a \$15M to \$25M IPO and seek admission to ASX as a dedicated vertically-integrated mine to Battery Anode Material (BAM) product manufacturing company.²⁰

On 30 April 2024, Lithium Energy announced the sale of its interest in the Solaroz Project to a subsidiary of CNGR Advanced Materials Co Ltd for US\$63 Million (~A\$97 Million) cash; completion is subject to the satisfaction (or waiver, as applicable) of a number of conditions precedent, including receipt of Lithium Energy shareholder approval, receipt of regulatory approvals (in China and Argentina, as required) and receipt of environmental and concession related approvals relating to Solaroz.²¹

Pending completion of the sale of Solaroz, Lithium Energy will focus on advancing the Axon Graphite IPO and continuing to advance operations at Solaroz, including securing the relevant approvals required to satisfy applicable conditions precedent to the sale.

The Strike ASX market announcements referred to in this announcement may be viewed and downloaded from the Company’s website: www.strikeresources.com.au or the ASX website: www.asx.com.au under ASX code “SRK”.

JORC CODE (2012) COMPETENT PERSON’S STATEMENT

The information in this document that relates to Mineral Resources in relation to the Apurimac Iron Ore Project (Peru) is extracted from the following ASX market announcement made by Strike Resources Limited on:

- 20 January 2015: Apurimac Mineral Resources Updated to JORC 2012 Standard.

The information in the original announcement that relates to these Mineral Resources and other Exploration Results (as applicable) is based on, and fairly represents, information and supporting documentation prepared by Mr Ken Hellsten, B.Sc. (Geology), who is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Hellsten was a principal consultant to Strike Resources Limited and was also formerly the Managing Director of Strike Resources Limited (between 24 March 2010 and 19 January 2013). Mr Hellsten has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’ (the JORC Code). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. 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 announcement.

FORWARD LOOKING STATEMENTS

This document contains “forward-looking statements” and “forward-looking information”, including statements and forecasts which include without limitation, expectations regarding future performance, costs, production levels or rates, mineral reserves and resources, the financial position of the Company, industry growth and other trend projections. Often, but not always, forward-looking information can be identified by the use of words such as “plans”, “expects”, “is expected”, “is expecting”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes”, or variations (including negative variations) of such words and phrases, or state that certain actions, events or results “may”, “could”, “would”, “might”, or “will” be taken, occur or be achieved. Such information is based on assumptions and judgements of management regarding future events and results. The purpose of forward-looking information is to provide the audience with information about management’s expectations and plans. Readers are cautioned that forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include, among others, changes in market conditions, future prices of minerals/commodities, the actual results of current production, development and/or exploration activities, changes in project parameters as plans continue to be refined, variations in grade or recovery rates, plant and/or equipment failure and the possibility of cost overruns. Forward-looking information and statements are based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date such statements are made, but which may prove to be incorrect. The Company believes that the assumptions and expectations reflected in such forward-looking statements and information are reasonable. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. The Company does not undertake to update any forward-looking information or statements, except in accordance with applicable securities laws.

20 Refer LEL ASX Announcement dated 3 April 2024: Merger of Lithium Energy and NOVONIX Natural Graphite Assets and Proposed Axon Graphite Limited Spin-Out and IPO

21 Refer LEL ASX Announcement dated 30 April 2024: Sale of Solaroz Lithium Project for A\$97 Million