

MARKET ANNOUNCEMENT

Successful Close of Lithium Energy Limited \$9 Million IPO

Strike Resources Limited (ASX:SRK) (**Strike**) is pleased to advise the successful close of a \$9 million Initial Public Offering (**IPO**) undertaken by its spin-out company Lithium Energy Limited (**Lithium Energy**) (proposed ASX Code : LEL) on 29 April 2021.¹ Lithium Energy will emerge with a market capitalisation of ~\$16 million at the \$0.20 IPO issue price and hold \$9 million in cash (before costs).

Lithium Energy is the spin out of the battery minerals assets from Strike. The Lithium Energy portfolio of assets includes the Solaroz Lithium Project in Argentina (**Solaroz**). Solaroz comprises 12,000 hectares of highly prospective lithium mineral concessions located within the Salar de Olaroz Basin in South America's "Lithium Triangle" in north-west Argentina. Solaroz is directly adjacent to or principally surrounded by mineral concessions being developed into production by Orocobre Limited (ASX/TSX:ORE) and Lithium Americas Corporation (TSX/NYSE:LAC). The location of Solaroz is considered to be highly strategic and prospective, particularly in light of robust demand for lithium (with spot lithium carbonate prices up ~90% between December 2020 and March 2021) and recent mergers and acquisitions in the sector, including the proposed A\$4 billion merger of Lithium Energy's neighbour, Orocobre Limited, with Galaxy Resources Limited (ASX:GXY).²

The IPO (pursuant to a Prospectus dated 30 March 2021³) was fully underwritten and was significantly oversubscribed. Eligible Strike shareholders who applied under the pro-rata Strike Priority Offer will be issued their maximum entitlements. Applicants under the Public Offer will be scaled-back by Lithium Energy in consultation with the IPO Lead Manager and Underwriter, Canaccord Genuity.

At completion of the spin-out, Strike will hold 34.4 million shares in Lithium Energy comprising a 43% shareholding.

Lithium Energy is now working with ASX towards a listing which is anticipated in mid to late May 2021.

AUTHORISED FOR RELEASE - FOR FURTHER INFORMATION:

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- 1 Refer Strike's ASX Announcement dated 31 March 2021: Lithium Energy Limited IPO - Prospectus Lodged
 - 2 Refer Orocobre's and Galaxy's joint ASX Announcement dated 19 April 2021: Orocobre and Galaxy agree to a proposed A\$4B merger of equals, establishing a new force in the global lithium sector
 - 3 Refer Strike's ASX Announcement dated 7 April 2021: Lithium Energy Limited IPO Opens

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STRIKE RESOURCES LIMITED

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