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ASX Announcement

Lotus advances fully funded Kayelekera Project towards Q3 CY25 production

Lotus Resources Limited (ASX: LOT, OTCQX: LTSRF) (Lotus or the **Company)** is pleased to provide an update on its Kayelekera uranium project in Malawi (**Kayelekera** or **Project**) as refurbishment and restart works continue on track for Q3 2025 production.

HIGHLIGHTS

- Kayelekera restart continues to progress as planned, with first uranium production on track for Q3 2025
- Overall mechanical and electrical progress > 80% complete
 - All key operational roles now appointed and on-site restart workforce of more than 300 local and expat personnel
 - Heavy mobile equipment / ROM fleet ordered and to be mobilised in May 2025
 - o Drying and Packaging steel fabrication complete and calciner and screw feeders are onsite
 - More than 50% of diesel power station overhaul and refurbishment complete
 - Acid plant civil works nearing completion
 - Finalising appointment of mining contractor mining to commence in Q3 2025
- Environmental and Social Impact Assessment (ESIA) and Radiation Licence applications lodged approvals expected in Q2 2025
- Finalising power grid connection negotiations with ESCOM and contractors
- Four binding offtake agreements now in place representing close to 40% of 2026-2029 production, at an escalated fixed price
 - Contract pricing based on an agreed US\$ base price referenced from the current published longterm prices with escalation - delivering a very attractive margin over Kayelekera's expected AISC¹
- Uranium from Malawi is exempt from the latest imposition of US import tariffs
 - o Term price has remained steady at approximately US\$80/lb U₃08
- Two export logistics paths to market
 - Dar-es-Salaam and Walvis Bay identified as preferred export hubs; finalising transport contracts with Tier One providers
- Lotus remains fully funded to complete the restart, with \$112.7m cash at the end of March (unaudited), and no debt drawn².

¹ Based on the 2024 Accelerated Restart Plan AISC estimate of US\$44.80 / lb as announced to the ASX on 8 October 2024. The LOM plan referred to in that announcement contains approximately 4% from Inferred Resources contained in existing stockpiles. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised. The Ore Reserve and Mineral Resources underpinning the forecast financial information derived from a production target have been prepared by a competent person in accordance with the requirements in Appendix 5A (JORC Code). Contract pricing as per previous announcements see those dated 17 March 2025, 7 April 2025.

² Financing facilities include the US\$15M unsecured loan facility (see ASX Announcement 3 September 2024) and US\$38.5M in non-binding and conditional working capital facilities (see ASX Announcement dated 29 January 2025).



Lotus Managing Director Greg Bittar commented: "The Lotus team has done a terrific job in continuing to focus on delivering the Kayelekera restart on time and within budget. Refurbishment of the plant is progressing in line with the accelerated restart program plan, and we remain on track for commencement of production in Q3 CY25, with more than 80% mechanical and electrical completion achieved and a quarter to go until first production. A mining contractor has now been selected, with mining to commence during Q3 CY25. Before mining commences, material from onsite stockpiles will be processed.

While global markets have experienced significant volatility, uranium prices have been steady in the early weeks of the US imposition of tariffs, and Lotus has been able to lock in additional offtake arrangements to take advantage of solid uranium term prices in the market. Utilities continue to engage in negotiations for both near-term and long-term offtake, showing enthusiasm for supporting new uranium supply."

KAYELEKERA PROJECT UPDATE

Overall mechanical and electrical progress is >80% complete and on schedule.

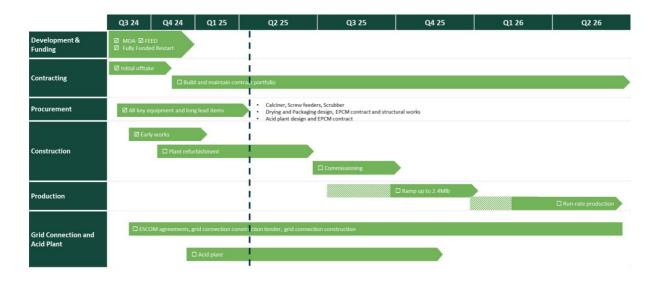
The refurbishment and construction team now comprises more than 300 people, consisting of both local and expat personnel.

Areas of focus for the refurbishment team are the mill, the power station, drying and packaging plant, and the acid plant. Recent works include:

- Civil works across a range of areas including the Precipitation area, Drying and Packaging area, Elution and Leach sections, Resin in Pulp area and Diesel tanks;
- Power station servicing progressing / spare parts procured for generators; three Hyundai gensets are now
 operational, with the remaining three currently being refurbished; three Perkins gensets refurbished and
 now configured for additional capacity / redundancy;
- Mill refurbishment / repairs well advanced;
- Drying and packaging plant prefabricated steelwork delivered to site, commenced assembly; and
- Rubber lining and piping refurbishment in all areas.

Key operations management personnel, including Processing Manager, Mining Engineer and Maintenance Manager and Maintenance Planner, have been recruited, completing the senior Kayelekera operational team.

KAYELEKERA'S FULLY FUNDED ROADMAP TO PRODUCTION



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The latest photos depicting site works are shown below.



Figure 1: Mill refurbishment activity



Figure 2: Hyundai diesel generator lift during power station overhaul





Figure 3: Drying and Packaging – Plinths and foundations ready for structure and calciner installation

Figure 4: Acid plant refurbishment



Figure 5: Local community engagement: Karonga Primary School



EXPERIENCED MINING CONTRACTOR SELECTED

Lotus has conducted an extensive contract tender process to select its preferred mining contractor and intends to appoint a South African contractor. The preferred contractor has extensive experience in mining and construction and has a significant balance sheet.

The mining workforce will be predominantly Malawian and the personnel will be accommodated at the Project's accommodation village, and as such will work on a fully integrated basis with the Lotus team.

Lotus currently plans for the mining contractor to mobilise for mining to commence in Q3 2025. Initial uranium production will be from existing stockpiles, which will be processed ahead of the mining contractor's commencement.

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

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ABOUT LOTUS

Lotus is a leading Africa-focused advanced uranium player with significant scale and Mineral Resources. Lotus is focused on creating value for its shareholders, its customers and the communities in which it operates, working with local communities to provide meaningful, lasting impact. Lotus is **focused on our future**. Lotus owns an 85% interest in the Kayelekera Uranium Project in Malawi, and 100% of the Letlhakane Uranium Project in Botswana.

The Kayelekera Project hosts a current Mineral Resource as set out in the table below and historically produced \sim 11Mlb of uranium between 2009 and 2014. The Company completed a positive Restart Study³ which has determined an Ore Reserve of 23Mlbs U₃O₈ and demonstrated that Kayelekera can support a viable operation. The Letlhakane Project hosts a current Mineral Resource also as set out in the table below.

LOTUS MINERAL RESOURCE INVENTORY - DECEMBER 2024^{4,5,6,7,8}

Project	Category	Mt	Grade	U₃O ₈	U₃O ₈
			(U₃O ₈ ppm)	(M kg)	(M lbs)
Kayelekera	Measured	0.9	830	0.7	1.6
Kayelekera	Measured – RoM Stockpile ⁹	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 ¹⁰	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 2022¹¹

Project	Category	Mt	Grade	U₃O ₈	U ₃ O ₈
			(U₃O ₈ ppm)	(M kg)	(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

³ See ASX announcement dated 11 August 2022 for information on the Definitive Feasibility Study and ASX announcement dated 8 October 2024 in relation to the Accelerated Restart Plan. The Company confirms that all material assumptions underpinning the information in those ASX announcements dated 11 August 2022 and 8 October 2024 continue to apply and have not materially changed.

⁴ 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.

⁵ The Kayelekera Mineral Resource Estimate is inclusive of the Kayelekera Ore Reserves.

⁶ 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.

⁷ See ASX Announcement dated 6 December 2024 for information on the Letlhakane Mineral Resource Estimate.

⁸ 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.

⁹ RoM stockpile has been mined and is located near mill facility.

¹⁰ 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.

The Seserves 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.