

ASX RELEASE | 14 April 2025

Company and Adina Lithium Project Update

HIGHLIGHTS

- Winsome has recently implemented strategic initiatives in response to prevailing global and lithium market conditions to preserve capital and optimise expenditure which include:
 - A 25% reduction in director remuneration.
 - A significant reduction in exploration workforce
 - The upcoming closure of the Val-d'Or exploration office.
 - A targeted approach to project studies focussing on key trade-off initiatives which will guide the Adina Lithium Project feasibility study.
 - A focus on advancing the Adina Lithium Project permitting, including progressing the Environmental and Social Impact Assessment (ESIA) process.
 - A reduction in general and administration expenses which will continue to be reviewed to be commensurate with ongoing operations.
- Québec's Provincial Budget 2025 introduced financial incentives, including a 45% refundable tax credit covering exploration and mine development expenses for strategic minerals, with the impact on Winsome's current and future activities currently being assessed.
- Winsome has received inbound interest on certain non-core assets, including the Wincamp (Cargair) logistics facility and its Quebec exploration projects, with divestment opportunities to be assessed as another capital preservation initiative.

Lithium explorer and developer Winsome Resources (ASX:WR1; “**Winsome**” or “the **Company**”) announced today a range of measures which have been recently implemented to preserve funds and limit expenditure. These proactive steps are a response to the recent market downturn and the prevailing pricing environment for lithium and are designed to ensure financial resilience while maintaining focus on core strategic objectives. The current global lithium market is experiencing challenges marked by lower prices stemming from prevailing supply and demand imbalances.

Despite market headwinds, the Company remains firmly committed to advancing its Tier-1 Adina Lithium Project (“**Adina**” or “the **Project**”). Adina represents a globally significant lithium resource and, through the potential integration with the Renard Operation and associated infrastructure (“**Renard**”), is positioned as one of North America's most capital-efficient potential new lithium sources.

WINSOME'S MANAGING DIRECTOR CHRIS EVANS SAID:

"The initiatives announced today are prudent measures reflecting the current state of the lithium market, which the board have successfully navigated in previous cycles. Our focus is squarely on preserving capital and protecting shareholder value while ensuring the continued advancement of our world-class Adina Lithium Project.

The quality and scale of Adina, combined with the strategic potential of Renard, makes Winsome an attractive opportunity. Securing a strategic partner for a project of this significance is key in moving forward with Renard in the current market.

Furthermore, Québec's recent Budget 2025 is a boost for the province's resource sector. It offers direct support by enhancing refundable tax credits and we are particularly encouraged crucial pre-development costs may be captured under the 45% refundable tax credit. These incentives substantially reduce net costs moving forward, extending our current cash balance and reinforcing Québec's standing as a highly attractive jurisdiction for sustainable mining and clean-tech investments."

Key initiatives recently implemented by Winsome include:

1. Directors' remuneration reduced by 25%, effective immediately.
2. Focused reduction in spending and exploration activities for the remainder of 2025 or while market conditions remain subdued. This strategic reallocation of resources supports core priorities, including advancing the Adina Lithium Project studies and permitting.
3. Rationalisation of the workforce, resulting in a significant reduction in personnel across exploration and general and administration functions.
4. Closure of the Val-d'Or exploration office in the coming month. The Mistissini office remains operational to support ongoing community engagement efforts.

Non-Core Assets :

Winsome has received inbound interest on key non-core assets, including the Wincamp (Cargair) logistics facility, and other exploration projects:

1. The Wincamp (Cargair) logistics facility is well located on the Transtaiga Road with connection to grid hydro power. It was refurbished by Winsome in 2024 and has capacity to hold up to 80 people. This facility is currently being rented to various groups on a monthly basis, which generates profits over and above the running costs, and is low cost when not occupied.
2. The Cancet and Tilly Projects are both 100% owned hard rock lithium projects. The Cancet Project covers 227km² of tenure along trend from the +140Mt Shaakichiuwaanaan Lithium Project (formerly Corvette) owned by Patriot Battery Metals with over 5,000m of drilling has been carried out.
3. The Sirmac-Clapier Project where a recent discovery of high-grade lithium and caesium mineralisation in outcropping pegmatite was made.

Winsome is actively considering strategic options to extract value from its non-core assets, where doing so offers compelling benefits for shareholders and supports the efficient allocation of human and financial resources towards core priorities such as the Adina Lithium Project.

Project Development and Strategy:

The primary operational focus remains to advance the Adina Lithium Project through the environmental assessment process in Quebec. Following the submission of the Preliminary Information Statement in January 2025, the Company anticipates receiving feedback on the framework for the Environmental and Social Impact Assessment (ESIA) from the Environmental and Social Impact Evaluating Committee (COMEV) in the coming weeks. Required environmental baseline studies are progressing according to schedule and will not be affected by the capital preservation initiatives.

The exclusive option to acquire the Renard Operation was formally extended to August 31, 2025, following a payment of C\$8.5 million. This extension, combined with the cost reduction measures and ongoing studies for potential Cold Care and Maintenance at Renard, represents proactive steps in managing this strategic opportunity.

The Company will maintain its office in Misstissini to facilitate continued engagement with the community as it moves through the consultation process.

Winsome holds a significant equity interest in Power Metals Corp (TSXV: PWM), with exclusive offtake rights for lithium, caesium, and tantalum from PWM's Case Lake Project in Ontario, Canada. With no currently operating caesium mines globally and increasing international recognition of caesium as a critical mineral, Winsome is undertaking a strategic review to assess how best to realise value from its interests in PWM for the benefit of shareholders.

Following the successful completion of the Scoping Study (and accompanying Preliminary Economic Assessment ("**PEA**") the Company has followed a targeted approach to project studies focussing on key areas which will reduce the cost profile of Adina. These trade-off initiatives include an assessment of the potential to mine the deeper footwall zone using underground methods (vs the open pit contemplated in the Scoping Study) and a transport trade-off study to optimise the methods of transporting mineralised pegmatite from Adina to Renard and spodumene concentrate from Renard to port. Results of these trade-off studies will finalise the scope of investigations to be completed in the Adina Feasibility Study.

Winsome continues to hold funds raised via past placements under the Canadian Flow-Through Share ("**FTS**") scheme designated for eligible Canadian Exploration Expenses ("**CEE**"). In accordance with FTS regulations, these specific funds must be spent on qualifying activities by December 31 2025, therefore these funds will be allocated to ongoing activities which qualify as CEE. The availability of these funds will allow continued, albeit scaled-back, exploration progress, utilising a significantly reduced geology team, with low cost, targeted activities to be undertaken during the upcoming Canadian field season.

Quebec Budget Initiatives:

Québec's Provincial Budget 2025 recently announced the 45% refundable tax credit covering exploration and mine development expenses for strategic minerals now applies to key infrastructure developments. In the case of Winsome this would include the planned road connecting Adina to Renard which enables efficient transport of materials including mineralised pegmatite. The eligibility of this critical infrastructure for the enhanced credit is anticipated to further strengthen the project's financial metrics.

The tax credit may also apply to other development expenses such as the Adina trade off and feasibility studies and repurposing of the Renard site. The details of the budget are under review by Winsome and its advisers and it is anticipated these initiatives will assist the Company to continue progressing Adina.

This announcement is authorised for release by the Board of Winsome Resources Limited.

For further information please contact:

INVESTORS

Chris Evans - Managing Director
Winsome Resources

administration@winsomerresources.com.au

MEDIA

Luke Derbyshire – Managing Director
Spoke

luke@hellospoke.com.au

+61 488 66 42 46

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ABOUT WINSOME RESOURCES

Winsome Resources (ASX: WR1) is a Canadian focused exploration and development company with several projects in the Eeyou Istchee James Bay region of Québec.

Our flagship project is Adina, a 100% owned lithium resource considered a tier-one asset in a low-risk mining jurisdiction and one of the most capital efficient projects in North America with competitive operating costs. The hard rock spodumene lithium deposit is near surface with a +20 year project life and a Mineral Resource of 78Mt at 1.15% Li₂O comprising 79% classified as 'Indicated' and 21% classified as 'Inferred'. (Appendix 1)

The Company recently acquired an exclusive option to purchase the Renard Operation, a mining and processing site located approximately 60 kilometres south (in a straight line) of Adina. The Renard Operation has an established airport, power station, water treatment plant, workshops, processed mineralised material storage and a substantial camp. It also has several mineral processing and operating permits which may advance Winsome's pathway to lithium production. Importantly Renard already includes extensive production facilities which consists of a primary jaw crusher, secondary cone crusher, high-pressure grinding rolls, ore sorting, and DMS circuits necessary for lithium processing and spodumene concentrate production.

In addition to its impressive portfolio of lithium projects in Québec, Winsome Resources owns 100% of the offtake rights for lithium, caesium and tantalum from Power Metals Corp (TSXV:PWM) Case Lake Project in Eastern Ontario, as well as a 9.57% equity stake in PWM (together with a right to be issued a further 17,650,000 common shares in PWM on completion of the sale of the Decelles and Mazerac projects).

Winsome is led by a highly qualified team with strong experience in lithium exploration and development as well as leading ASX listed companies. **More details:** www.winsomerresources.com.au

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This document contains forward-looking statements concerning Winsome. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory, including environmental regulation and liability and potential title disputes.

Forward-looking statements in this document are based on the Company's beliefs, opinions and estimates of Winsome as of the dates the forward-looking statements are made, and no obligation is assumed to update forward-looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

PREVIOUSLY ANNOUNCED EXPLORATION RESULTS & MINERAL RESOURCES

Winsome confirms it is not aware of any new information or data which materially affects the information included in the original market announcements referred to in this announcement. Winsome confirms the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Winsome confirms it is not aware of any new information or data as at the date of this release which materially affects the Mineral Resource or the Scoping Study for Adina. The Company also confirms all material assumptions and parameters underpinning the Mineral Resource estimate and the Scoping Study continue to apply and have not materially changed. Winsome confirms the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

APPENDIX 1: Mineral Resources at the Adina Lithium Project stated under the JORC Code

| Zone | Indicated | | | Inferred | | | Total | | |
|--------------|-------------|-----------------------|--------------------|-------------|-----------------------|--------------------|-------------|-----------------------|--------------------|
| | Tonnes (Mt) | Li ₂ O (%) | Contained LCE (Mt) | Tonnes (Mt) | Li ₂ O (%) | Contained LCE (Mt) | Tonnes (Mt) | Li ₂ O (%) | Contained LCE (Mt) |
| MZ | 28.4 | 1.19 | 0.84 | 8.7 | 1.39 | 0.26 | 37.1 | 1.23 | 1.10 |
| FWZ | 33.0 | 1.10 | 0.90 | 7.8 | 0.98 | 0.19 | 40.8 | 1.08 | 1.08 |
| Total | 61.4 | 1.14 | 1.73 | 16.5 | 1.19 | 0.49 | 77.9 | 1.15 | 2.21 |