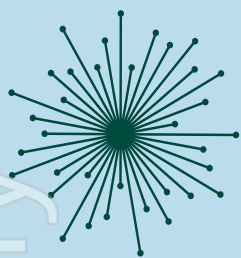


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LOTUS
RESOURCES

2025

Annual Report

ABN 38 119 992 175

Corporate Directory

Directors

Mr Michael Bowen	Non-Executive Chairman
Mr Gregory Bittar	Managing Director
Mr Simon Hay	Non-Executive Director
Ms Leanne Heywood	Non-Executive Director

Company Secretary

Mr Hayden Bartrop

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Letter from the Chairman



Dear Fellow Shareholders,

I am pleased to present Lotus' Annual Report for the Financial Year ended 30 June 2025. It has been a pivotal year in which the Company has taken final steps in its transformation to becoming a global uranium producer, with our first yellowcake produced at Kayelekera in Malawi post year-end.

This achievement has been driven by an outstanding team led by Managing Director Greg Bittar, who transitioned from CEO in December. The team has worked tirelessly to ensure our Accelerated Restart Plan for Kayelekera was executed on time and on budget.

Our progress at Kayelekera over the past 12 months was set in motion in July 2024, when after many months of negotiations, we signed a Mine Development Agreement for Kayelekera with the Government of Malawi, providing fiscal stability for 10 years and underpinning the restart of Kayelekera.

Front-end engineering and design for Kayelekera was completed early in the year, allowing us to re-assess the cost and timing associated with specific items required to achieve production. Pleasingly, this enabled us to accelerate the restart plan to 8-10 months from previously 15 months, and to reduce initial restart capex to US\$50m from previously US\$88m by deferring some capex until after first production. Our Accelerated Restart Plan was backed by an equity placement to existing and new investors, raising A\$132m to fund this plan. This allowed our team to deliver the restart plan on time and on budget, achieving first production as planned in August 2025.

We continued to strengthen relationships with utilities and entered four binding offtake agreements for Kayelekera, three with Tier-1 North American Utilities and one with global uranium trader Curzon Uranium. All together, we have binding offtake agreements for 3.5 million lb of uranium for delivery in the 2026 – 2029 period at an escalated fixed price, based on the term price of ~US\$80/lb for most of the financial year. This offtake covers a substantial portion of Kayelekera's cash costs over this period, and we are now focusing on negotiating further offtake arrangements that are market linked.



We continued to advance development of our Letlhakane Project, located in the premier mining jurisdiction of Botswana. Letlhakane provides the company with the platform to become a long-term supplier in the uranium market, as the project has one of the largest undeveloped mineral resources globally. We were pleased to update the mineral resource estimate to have 50% of resources in the Indicated category and to have completed a Scoping Study that confirmed the potential for the project to become a major uranium producer.

Sentiment in the nuclear industry has continued to improve, as many countries increase investment in nuclear power to support their net zero ambitions. At the UN's COP29 climate change conference in November 2024, 31 countries had signed up to a pledge to triple nuclear capacity by 2050. China approved construction of another 10 reactors, while in May 2025, the US laid out an ambitious plan to have 10 large reactors under construction by 2030. Significantly, the World Bank has removed its long-held moratorium on financing nuclear power generation. Hyperscalers, which require carbon-free baseload power to run AI data centres, have also turned to nuclear power. Companies such as Microsoft and Meta have locked in multi-year power purchases from idled nuclear power plants that are to be brought back online. Meanwhile, the supply outlook is impacted by geopolitical challenges and a dearth of new project FIDs being taken.

Lotus remains deeply committed to best practice Environmental, Social and Governance (ESG) standards and aims to leave a lasting positive legacy in the

jurisdictions where we operate. Our separate Sustainability Report forms a key part of Lotus' annual corporate reporting suite and reports against globally accredited ESG frameworks.

Our Board was strengthened during the year not only with Greg's appointment as Managing Director but the appointments of experienced company directors Leanne Heywood and Simon Hay as non-executive Directors. With these appointments, we saw directors Grant Davey, Keith Bowes, Dixie Marshall and Mark Hanlon step down from the Board. These members, in particular Grant and Keith, were a driving force for Lotus since it acquired Kayelekera and we thank them for their dedication and commitment in helping Lotus advance towards its goal under their guidance. We are confident that the Board now has the right mix of skills and expertise to support the Company's production plans at Kayelekera and the future development and growth of our Letlhakane project.

On behalf of the Lotus Board and management team, I thank the Government of Malawi for its continuing support and work with Lotus to deliver a project that has real benefits for the nation and its people. We also thank Paramount Chief Kyungu, all of the Traditional Authorities for Karonga and Chitipa, Community Leaders and the local communities for their strong support. We look forward to continuing to work closely together with these parties in the years ahead.

Finally, I thank all shareholders for your continued support. This is an exciting time for your Company, and we look forward to keeping you updated as we continue our progress at Kayelekera and Letlhakane over the coming year and those beyond.



Mr Michael Bowen
Non-Executive Chairman



Managing Director's Report



Financial Year 2025 was a pivotal period for Lotus, as we detailed and implemented the Accelerated Restart Plan for the Kayelekera Uranium Mine in Malawi. This culminated in first yellowcake production in late August 2025, enabling Lotus to join the exclusive tier of global uranium producers, a proud achievement for the Lotus team.

Our successful accelerated restart is a terrific achievement and testament to the team's dedication and hard work, alongside the Government of Malawi's unwavering support. We have offtake contracts with some of the world's largest power utilities and we are well positioned to capture value from uranium supply deficits forecast through to the 2030s¹, for the benefit of all stakeholders and our shareholders.

Beyond Kayelekera, we have an exciting greenfield project opportunity in Letlhakane, located in Africa's top mining jurisdiction, Botswana.

Kayelekera's Accelerated Restart Plan

We rapidly built a highly motivated and capable team at Kayelekera, supported by our small and experienced corporate team in Perth. Our project team delivered the Accelerated Restart Plan on time and within budget, with our refurbished processing plant now transferred to operations.

Lotus assessed various potential scenarios for production restart at Kayelekera. The Accelerated Restart Plan timetable to first uranium production reduced to 8-10 months (previously 15 months) and capital expenditure to first uranium production reduced to US\$50 million (previously US\$88 million). The Accelerated Restart Plan focused on essential capital expenditure to achieve the restart of Kayelekera, while long lead items that were not critical to first uranium production were removed from the critical path. An equity placement to existing and new investors raised A\$132m to fund this plan.

It is a testament to the quality and dedication of the team that we delivered the restart plan on time and on budget, with production now underway.

A depth of mining and civil engineering expertise within the site and corporate teams allowed us to embark on owner-operator mining, far preferable to appointing a mining contractor (of which there are currently none in Malawi). Owner-operator mining will unlock synergies between mining operations and tailings facility construction and provide significant operating cost savings over the life-of-mine.

To achieve our accelerated timeframe, we are using our back-up power solution for commissioning and ramp-up, which will result in a short period of higher operating costs associated with diesel consumption. Our grid connection is underway with grid power expected late in 2H CY26. We will utilise imported sulphuric acid until refurbishment of the acid plant is complete (expected 1H CY26). Again, for a brief period, this will result in higher operating costs associated with trucking sulphuric acid.

¹ <https://world-nuclear.org/our-association/publications/global-trends-reports/world-nuclear-fuel-report-2025>

Managing Director's Report

Additional capital items were sequenced as required by the LOM Plan, including ore sorting, nano-filtration for acid recovery, and aspects of the camp upgrade, and these will be funded partly or in whole by operational free cashflow from production.

Offtake secured with Tier One counterparties

Lotus has four binding offtake arrangements for 3.5-3.8Mlbs of uranium sales from Kayelekera with fixed pricing between 2026 – 2029. These include 700klb offtake with Curzon Uranium, with an option for another 300klb between 2030 – 2032 (offtake option linked to Lotus drawing down the associated unsecured debt facility); 1,600klb with PSEG Nuclear between 2026 – 2029; and 600klb each with two Fortune 500 North American Utilities. Lotus also entered an initial forward contract for 100klbs in 2026.

This offtake, while committing around 36% of production over the four-year period 2026-2029, covers a substantial portion of Kayelekera's production cash costs over this period. Any additional offtake contracts are expected to be market linked and may contain a collar, thereby securing margin while also delivering substantial upside exposure.

Development at Letlhakane

We continued to advance our Letlhakane Project, located in the premier mining jurisdiction of Botswana. Letlhakane provides the platform to become a long-term supplier in the uranium market, as one of the largest undeveloped mineral resources globally.

A successful infill and extension drilling campaign delivered an uplift of Measured and Indicated resources to 50% of total resource². An updated Scoping Study based on the updated Mineral Resource Estimate shows Letlhakane can support ~3Mlbpa of U_3O_8 production with flexibility to align production with uranium price. The Selected Case in the Scoping study is a 10-year life of mine (LoM) producing 3Mlbpa for total LoM production of 29Mlb³. This production schedule is based on 45Mlb (75% of which is Indicated Mineral Resource) in the mill feed, being ~40% of Letlhakane's global resource of 114Mlb.

Current optimisation studies are focused on mining cost and acid consumption, and we expect to deliver a PFS in CY2026.



² See Table 1 – Lotus Mineral Resource Inventory – June 2025

³ The Scoping Study Life of Mine Plan contains approximately 25% from Inferred Mineral Resources. 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 realized. The Mineral Resources underpinning the production target have been prepared by a competent person in accordance with the requirements in Appendix 5A (JORC Code).



Managing Director's Report

Sustainability

Lotus is deeply committed to best practice ESG standards. Our vision is to be a responsible uranium producer, building strong local communities, a safe and healthy work environment and making a positive contribution to a carbon-free future. Our values underpin our culture and are fundamental in setting and communicating our expectations across the organisation:



We act like an owner



We care



We continuously improve



We deliver

Lotus prioritises the safety and wellbeing of our employees. Our Health and Safety Management Systems (HSMS) align with legislation governing exploration and mining in Western Australia, Malawi and Botswana. Group TRIFR decreased from 2.05 in FY24 to 1.33 in FY25, as the workforce increased during the accelerated restart plan implementation ahead of production. Mitigation measures such as strengthening onboarding and refresher training, increasing leadership visibility and supervision in the field and reinforcing safety culture to ensure tasks are always carried out within safe limits, have been implemented to minimise health and safety incidents.

We prioritise local employment to ensure maximum benefit of Kayelekera activities for the local communities. Through commissioning and ramp-up, more than 90% of the +500 staff on site are from the local area.

I am immensely proud of the manner in which our team has engaged with the local communities, including the key milestone of entering a formal Community Development Agreement (CDA) at Kayelekera that ensures that 0.45% of revenue will be utilised for community development, as determined by the CDA Committee which consists of community leaders. The CDA was formulated through a process of broad consultation with local government representatives, Paramount

Chief Kyungu and all Traditional Authorities for Karonga and Community Leaders, Community Development Committees and local communities residing within a radius of 20km around Kayelekera Mine.

Recognising the financial risks of climate change, Lotus commenced alignment with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations in FY22. In support of evolving standards, the Australian Accounting Standards Board (AASB) released the Australian Sustainability Reporting Standards (ASRS) in September 2024, reflecting IFRS-based guidance from the International Sustainability Standards Board (ISSB) and incorporating core elements of the TCFD framework. Lotus has initiated a formal roadmap to align with these standards, including assessment of financial implications of material climate risks. This transition supports enhanced transparency around emissions, net zero planning, and climate-related governance.

Lotus participated in its second S&P Global Corporate Sustainability Assessment and achieved an improved S&P Global ESG Score of 39 out of 100 (previously 37), which placed the Company in the 58th percentile in the MNX Metals & Mining industry in February 2024 (previously 64th).

We released our fourth Sustainability Report in November 2024, and a 2025 Report is expected in the coming months.



Managing Director's Report

Need for carbon-free baseload power to drive uranium demand growth

Nuclear power is essential to the clean energy transition, as it uniquely meets key criteria of carbon emission free, firm 24/7 baseload power. No other source of electricity can rival nuclear electricity's combination of clean, firm, low land use power with low transmission build-out, concentrated local economic benefits and direct heat applications⁴.

More nuclear developments are needed to meet growing demand, and Governments are increasingly backing nuclear power. The largest generator of nuclear energy, the US, which has close to 100GWe installed nuclear capacity, is seeing renewed impetus. Recent Executive Orders have specified that 10 additional large reactors are to be under construction by 2030, that the current fleet is to be uprated by 5GW and that US nuclear capacity is to be quadrupled by 2050 (adding 300GWe, equivalent to ~ 150Mlb pa uranium demand).

China is expanding aggressively and currently has 76 new reactors under construction or planned⁵, more than doubling its current 58 reactors, and targeting 400GWe by 2060 (currently 57GWe). This echoes the steel expansions in the early 2000s that drove global iron ore demand to unprecedented levels.

As Michael highlighted, companies such as Microsoft and Meta locked in multi-year power purchases from idled nuclear power plants that will be restarted to help meet AI energy requirements, while major tech companies are investing in Small Modular Reactor (SMR) technology, an exciting new technology to be commercialised in the future.

Looking to the future

With first production from Kayelekera achieved, we are now focused on optimising logistics of product delivery to the uranium converters, where our customers, some of the leading power utilities in the world, take ownership. This will provide the company with revenue cash flows from 1H CY26. We are also investing in long-term infrastructure to minimise life-of-mine operating cost at Kayelekera, including the grid connection, where Lotus has awarded fixed price contracts for transmission and substation infrastructure, and preparing the tailings storage facility for a 10-year life-of-mine.

We are excited about the future of the Letlhakane project, as it provides the company with a potential platform to become a long-term supplier in the uranium market, and we will continue to work towards a PFS.

I thank the Lotus Board of Directors for their ongoing commitment and support, particularly through my first months in the MD role. I also thank you, Lotus' shareholders, for your continued support of the Company. With Kayelekera cash flows expected in the current financial year, and Letlhakane presenting an exciting opportunity to grow at a time when demand for uranium is growing strongly, Lotus is ideally placed to deliver on our vision to be a responsible uranium producer, building strong local communities, a safe and healthy work environment and making a positive contribution to a carbon free future, while also delivering outstanding shareholder returns.

Yours sincerely

Greg Bittar
Managing Director

⁴ US Department of Energy, Pathways to Commercial Lift-off: Advanced Nuclear, October 2024

⁵ Source data: World Nuclear Association



REVIEW OF ACTIVITIES

Summary of Key Achievements

The 2025 Financial Year was a pivotal year for Lotus, as the Company detailed and implemented the Accelerated Restart Plan at Kayelekera. This culminated in first yellow cake production in August 2025, enabling Lotus to join the exclusive tier of global uranium producers. The significant achievements during the year and up to the date of this report included the following:

- **Finalised Kayelekera Mine Development Agreement** with the Government of Malawi in July 2024, ensuring the Kayelekera Project will operate under a stable fiscal regime and providing confidence for investors.
- **Formulated and implemented Kayelekera Accelerated Restart Strategy** following completion of the Front-End Engineering and Design (FEED) study, which reduced the initial restart capital to first production from US\$88m to US\$50m and the time to first production to 8-10 months from October 2024.
- **Executed four binding offtake agreements with major global utilities and traders for 3.5-3.8Mlbs of Kayelekera uranium sales between 2026 and 2029**, including with PSEG Nuclear and two Fortune 500 US utilities, and Curzon Uranium (a global uranium trading house), with fixed pricing based on the uranium term price, escalated at CPI.
- **Raised equity finance:** Raised A\$132m equity (before costs) to fund Kayelekera Accelerated Restart Plan.
- **Made Final Investment Decision (FID):** Lotus Board approved the Final Investment Decision for the Kayelekera Accelerated Restart.



Review of Activities

- **Negotiated debt finance:** Agreed terms for US\$8.5m equipment finance with First Capital plc
- **Mobilised construction crews and equipment** including a large workforce comprising > 400 people to site, and ordered all key equipment for the mine restart, with mechanical and electrical completion achieved after the FY end.
- **Executed Project Implementation Agreement and Power Supply Agreement with ESCOM** to enable connection to the Malawi electricity grid during CY26.
- **Entered Community Development Agreement (CDA)** in January 2025, with 0.45% of revenues to be provided to the CDA Steering Committee, who will determine how the funds will benefit the surrounding communities.
- **Decided to mine on an owner operated basis** to maximize value and operational synergies, following exhaustive tender process and negotiations with preferred mining contractors
- **Received key approvals** including Radiation Licence and Environmental and Social Impact Assessment (ESIA) Certificate.
- **Commenced commissioning** of refurbished Kayelekera processing plant in June 2025.
- **Completed Letlhakane drill program and updated Mineral Resource Estimate:** Lotus completed an extensive FY25 drill program at Letlhakane, primarily aimed to upgrade Inferred Resources to Indicated and Measured status. Lotus prepared a revised MRE⁶ for the Letlhakane deposit that incorporated results of the drill program, with 50% of global resource in the indicated category
- **Completed Letlhakane Scoping Study:** In March 2025, Lotus completed a Scoping Study for Letlhakane, which supports the development potential of the Letlhakane uranium project in a stronger long-term uranium price environment.
- **Achieved further progress towards alignment of the Group's Environmental, Social and Governance (ESG) reporting** against the Global Reporting Initiative (GRI) Sustainability Standards and the UN Sustainable Development Goals (SDGs) with the release of the fourth annual Sustainability Report in December 2024.
- **Participated in our second S&P Global Corporate Sustainability Assessment (CSA)** and achieved an S&P Global ESG Score which placed the Company in the 58th percentile in the MNX Metals & Mining industry in March 2025.

6 See Table 1 – Lotus Mineral Resource Inventory – June 2025

Uranium Market

The uranium spot price was range-bound during FY25, fluctuating between US\$64/lb and US\$86/lb, finishing FY25 at US\$78.50/lb. The long-term price quoted by Cameco started the period at US\$79.50/lb and ended it at US\$80.00/lb, with hardly any movement over the period.

There were several positive flags for nuclear demand growth, both at government and private sector levels.

China's State Council approved 10 new reactors, the fourth year in a row that China has approved that number. China currently has more than 30 reactors under construction, almost half the world's total. The US President signed four executive orders to scale US nuclear energy to "reestablish the United States as the global leader in nuclear energy"⁷, including a 2050 target of 400 GW (up from 100 GW currently), which would add around 150 million pounds U₃O₈ per annum in demand for the US alone. Six more countries endorsed Declaration to Triple Nuclear Energy by 2050 at COP29, now up to 31 countries. European reluctance to use nuclear energy has continued to wane, including in Germany's new government under Chancellor Merz. Belgium's federal parliament voted to repeal the 2003 nuclear phaseout law, effectively ending the country's long-standing plan to eliminate nuclear power when existing facilities retired. Denmark announced it is re-assessing its 40-year ban on nuclear energy.

Major tech companies engaged in the procurement of clean baseload power to run data centres and announced several nuclear energy investments, both late and early stage: Constellation Energy announced a 20-year deal to sell energy from an idled nuclear unit near Harrisburg, Pennsylvania, to Microsoft⁸, aiming to restart the unit in 2028. Kairos Power and Google signed a Master Plant Development Agreement⁹, creating a path to deploy a US fleet of advanced nuclear power projects totalling 500MW by 2035. Amazon signed three new agreements¹⁰ to support the development of nuclear energy projects. Meta issued a request for proposals for 1 GW to 4 GW of new nuclear capacity to be delivered beginning in the early 2030s¹¹.

However, significant uncertainty was caused by geopolitical developments, and this hampered nuclear fuel buyer interest. Russia imposed temporary restrictions on the export of enriched uranium to the USA, a retaliatory move following the enactment of a US ban on Russian uranium imports which became effective in August 2024. The US tariff announcement in April created further uncertainty among fuel buyers.

Meanwhile on the supply side, Russia and Kazakhstan signalled potential disruptions to their exports, which could have far-reaching consequences for Western nuclear energy utilities, particularly in the USA and Europe. Authorities in Niger took control of French company Orano's Somair Uranium Mine (>5Mlbpa capacity). FIDs on major new supply additions have remained elusive.

7 <https://www.whitehouse.gov/presidential-actions/2025/05/reinvigorating-the-nuclear-industrial-base/>

8 <https://www.constellationenergy.com/newsroom/2024/Constellation-to-Launch-Crane-Clean-Energy-Center-Restoring-Jobs-and-Carbon-Free-Power-to-The-Grid.html>

9 <https://www.reuters.com/technology/artificial-intelligence/google-buy-power-small-modular-nuclear-reactor-company-kairos-ai-needs-2024-10-14/>

10 <https://www.aboutamazon.com/news/sustainability/amazon-nuclear-small-modular-reactor-net-carbon-zero>

11 <https://sustainability.atmeta.com/blog/2024/12/03/accelerating-the-next-wave-of-nuclear-to-power-ai-innovation/>



Kayelekera Project Overview

The Kayelekera Uranium Mine is in northern Malawi, southern Africa, 52km west by road from the town of Karonga. Kayelekera hosts a current Mineral Resource Estimate of 51.1Mlbs U_3O_8 equivalent (including the Livingstonia resource)¹² and historically produced approximately 11Mlbs U_3O_8 equivalent over a five-year period from 2009-2014, before ceasing production and entering into care and maintenance due to sustained low uranium prices.



During FY25, Lotus implemented an Accelerated Restart Plan to refurbish and restart the operation. This culminated in first yellowcake production in August 2025.



Figure 1: Location of the Kayelekera Uranium Mine and Livingstonia Uranium Tenements



¹² See Table 1 – Lotus Mineral Resource Inventory – June 2025



Review of Activities



Figure 2: Kayelekera process plant (back end) during commissioning



Figure 3: First drum of yellowcake

Review of Activities

Kayelekera Mine Development Agreement (MDA or Agreement)

In July 2024, Lotus' Malawian registered subsidiary, Lotus (Africa) Limited, executed a Mine Development Agreement with the Government of Malawi for Kayelekera¹³, a major milestone in the redevelopment for this Project. This Agreement ensures the mine will operate under a stable fiscal regime and provides the necessary confidence to investors.

The MDA secures a stable fiscal regime for the operations with a guaranteed Stability Period of 10 years during which the Project will not be subject to any detrimental changes to the fiscal regime in addition to specifying legal protections and non-fiscal government support under which Lotus will develop and operate Kayelekera. Lotus had benchmarked comparable fiscal regimes elsewhere in informing its MDA discussions with the Government of Malawi. The MDA demonstrates the commitment by the Government of Malawi to develop the local mining industry.

Accelerated Restart Strategy for Kayelekera

Lotus had commenced Kayelekera's Front-End Engineering and Design (FEED) program in March 2024 based on the Definitive Feasibility Study completed on 11 August 2022 (2022 DFS)¹⁴.

FEED allowed Lotus to determine long lead items and a critical path to production schedule, confirm or update capital cost estimates for aspects of the plant refurbishment and new equipment installations through new quotes. It also allowed Lotus to assess the impact of price escalation and update operating costs (C1 and AISC), incorporating new quotes and the impact of inflation effects.

Lotus used the results of the FEED program, in particular the cost information and lead times, to formulate the Accelerated Restart Plan¹⁵, which envisaged first uranium production in Q3 2025 (Q1 FY26).

The Accelerated Restart Plan reduced initial restart capital and de-risked the production restart schedule of the 2022 DFS by focusing only on essential capital expenditure to achieve the restart of Kayelekera. The Accelerated Restart Plan timetable to first uranium production reduced to 8-10 months (previously 15 months) and capital expenditure to first uranium production reduced to US\$50 million (previously US\$88 million).

The Accelerated Restart Plan timetable removed reliance on long lead items not critical to first uranium production. This includes the grid power connection and completion of the refurbished sulphuric acid plant. Both items will continue as part of the Accelerated Restart Plan, as they are critical to optimising the future cost structure of Kayelekera.



¹³ See ASX announcement 31 July 2024 – Mine Development Agreement signed in Malawi

¹⁴ See ASX announcement 11 August 2022 – DFS confirms Kayelekera as a low-cost, quick restart asset

¹⁵ See ASX announcement 8 October 2024 – Low Capital Intensity and Accelerated Restart of Kayelekera



Review of Activities

Binding offtake agreements executed

During FY25, Lotus executed four binding offtake agreements with major global utilities and traders for 3.5-3.8Mlbs of uranium sales between 2026 and 2029¹⁶. All agreements have fixed pricing based on an agreed US\$ base price referenced to published long-term price at the time (with escalation) - delivering a very attractive margin over Kayelekera's expected AISC.

Offtake partners include:

1. **Curzon Uranium:** 700klbs between 2026 – 2029, with an option for another 300klbs between 2030 – 2032 (offtake option linked to Lotus drawing down the associated unsecured debt facility for US\$15m);
2. **PSEG Nuclear:** 1,600klbs between 2026 – 2029;
3. **North American Utility #1:** 600klbs between 2026 – 2029 with one of the largest energy companies in North America, Fortune 500, investment grade; and
4. **North American Utility #2:** 600klbs between 2026 – 2029 with one of the largest energy companies in North America, Fortune 500, investment grade.

Lotus continued to engage with multiple nuclear utilities regarding potential offtake agreements, including participating in formal Requests for Proposals (RFPs) and “off market” discussions with a number of utilities and other offtakers, with a focus now on market-linked pricing for upside exposure.

Equity Financing

In October 2024, Lotus completed a \$130m two-tranche placement and subsequently raised an additional \$2m in a share purchase plan, to fund the Accelerated Restart Plan.

Debt Financing

In September 2024, Lotus executed a US\$15 million unsecured loan facility with Curzon to provide part of the overall funding for the Kayelekera restart.

In January 2025, Lotus signed an equipment finance term sheet for up to US\$8.5m with First Capital Bank Limited, to be used for the purchase or refinance of equipment including cranes, vehicles, machinery and other equipment.

The equipment finance term sheet contains terms customary for equipment finance, including a five-year tenor, commercial interest rate based on Secured Overnight Financing Rate (SOFR), arrangement fees, security over equipment (supported by parent company letters of comfort) and quarterly repayments with a 6-month moratorium on principal and interest.

Lotus finalised the First Capital equipment finance facility subsequent to FY25.

The Company continues to finalise the remaining working capital financing, with a target facility of approximately US\$30 million.

¹⁶ See ASX announcements dated 3 September 2024, 17 March 2025 and 7 April 2025

Review of Activities

FID and mobilisation of workforce

Following shareholder approval of Tranche 2 of the A\$130 million (before costs) equity placement and receipt of funds in December 2024, the Lotus Board approved the Final Investment Decision for the Kayelekera Accelerated Restart Project.

By December 2024, Lotus had ordered all of the key equipment needed, mobilised equipment and construction crews to site and completed an early works program. By the end of FY25, a large workforce comprising > 400 people was deployed to site, and mechanical and electrical completion of the plant refurbishment had advanced to > 85%.

Environmental and radiation approvals

In May 2025, Lotus received notification of approval from Malawi's Atomic Energy Regulatory Authority (AERA) for the resumption of mining and processing operations at Kayelekera¹⁷. AERA has indicated it will perform a verification inspection at Kayelekera once operations have commenced.

In June 2025, Lotus received notification its Environmental and Social Impact Assessment (ESIA) for Kayelekera was approved by Malawi's Environment Protection Authority (MEPA)¹⁸. The ESIA seeks to ensure that adequate and early information is obtained on any likely environmental impacts and on measures to mitigate these impacts. The approval is subject to compliance with all of the measures outlined in the Environmental and Social Management Plan of the ESIA Report, all other relevant legislation applicable to the Project and conditions to be outlined in the ESIA Certificate.

Connection to Malawi National Grid

The Kayelekera process plant is estimated to have a power demand of ~7MW, operating continuously. When the plant operated previously from 2009-2014, power was provided by diesel generators which have now been refurbished.

In its 2022 DFS, Lotus identified an opportunity to reduce power costs and carbon emissions by installing a grid connection. The power from the grid can be sourced from the recently upgraded hydropower facility in the south of the country on the Shire River and/or the recently installed and proposed solar farms located in the central region of Malawi. Lotus has worked closely with the Electricity Supply Corporation of Malawi (ESCOM) to deliver this.

In April 2025, Lotus signed a Project Implementation Agreement (PIA) and a Power Supply Agreement (PSA) with ESCOM¹⁹. These Agreements provide for Lotus to finance, design and construct a new transmission line and substation infrastructure at Kayelekera.

The PSA is for a 10-year term; however, the Company may terminate earlier by giving at least 30 days prior notice with no penalty. Electricity tariffs are based on the tariffs set by the Malawi Energy Regulatory Authority (MERA) for Malawi domestic consumption.

¹⁷ See ASX announcement 5 May 2025, Atomic Energy Regulator approval

¹⁸ See ASX announcement 5 June 2025, Environmental and Social Impact Assessment (ESIA) approved

¹⁹ See ASX announcement 1 April 2025, Lotus signs key agreements for power grid connection



Letlhakane Project Overview

The Letlhakane Uranium Project in Botswana is one of the world's largest undeveloped uranium deposits. It consists of a significant Joint Ore Reserve Committee (JORC) 2012 Mineral Resource Estimate of 113.7Mlbs (142.2Mt at 363ppm U_3O_8)²⁰. The mining license has been in place since 2016 and provisional surface rights have been granted as well as water abstraction rights and rights to install water bores. The asset is located close to high quality infrastructure with a sealed highway, rail line and power line running past the mining license boundary all of which make significant contributions to keeping the capital cost of future developments low. The asset is located within 50 kilometres of Francistown, a major population centre in Botswana.

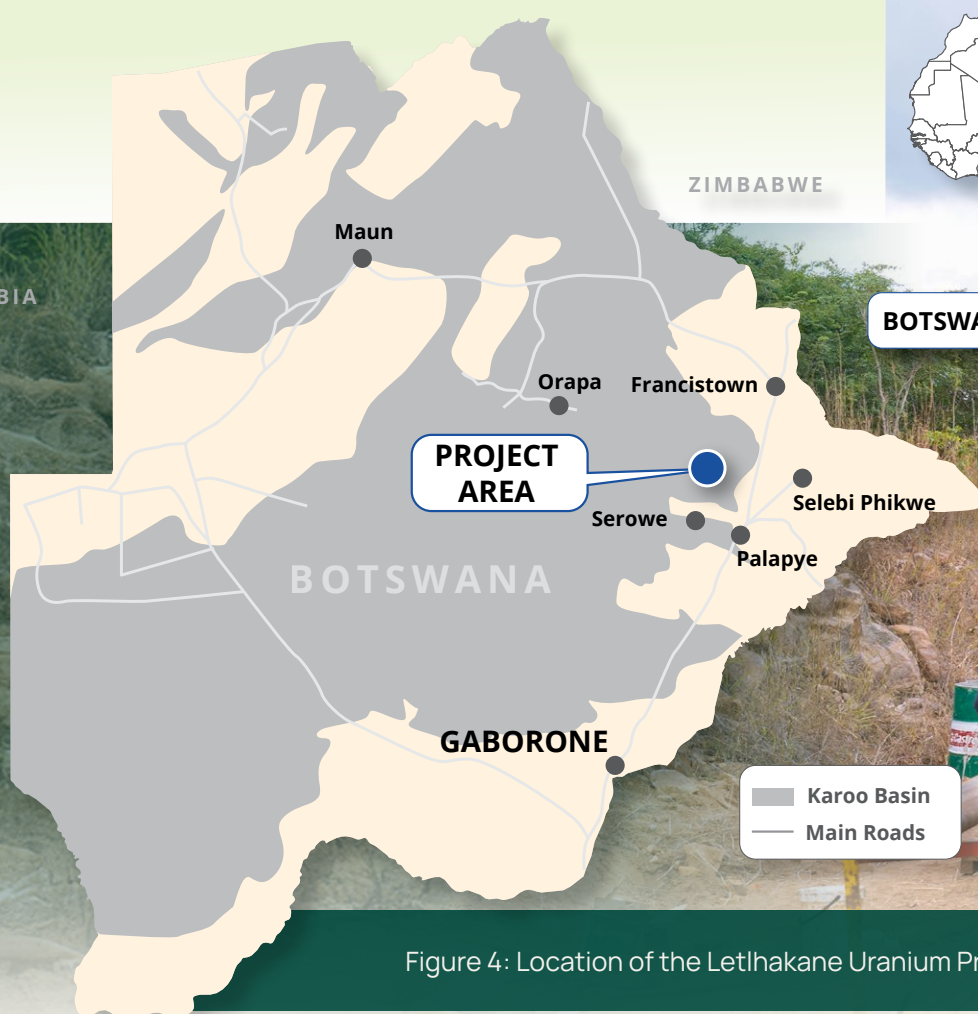


Figure 4: Location of the Letlhakane Uranium Project



Botswana is a mining friendly jurisdiction, consistently ranking highly in the Fraser Institute Perceptions Index (for the latest report for 2024 it was rated the top mining jurisdiction in Africa and the fourteenth worldwide out of 82 jurisdictions)²¹.

20 See Table 1 – Lotus Mineral Resource Inventory – June 2025 for a detailed breakdown of the Mineral Resource by classification.

21 <https://www.fraserinstitute.org/studies/annual-survey-mining-companies-2024>; Policy Perceptions Index

Review of Activities

Drill campaign completed and updated Letlhakane Mineral Resources Estimate

Lotus completed an extensive FY25 drill program at Letlhakane, primarily aimed to upgrade Inferred Resources to Indicated and Measured status. The bulk of the Inferred resources lie within the Gorgon West and Serule West areas and represented the main targets for the drill program. At the conclusion of the program, 145 RC holes and 19 diamond core holes have been completed, totalling 12,106m for an average hole depth of 74m. All holes were drilled vertically, perpendicular to the near-surface flat-lying uranium mineralisation horizons.

Lotus prepared a revised MRE for the Letlhakane deposit that incorporated results of the drill program. Letlhakane's resources are reported as having "reasonable prospects of eventual economic extraction", or RPEEE, and lie within pit shells defined by uranium price, mining and processing cost as well as other criteria, including losses in mining and processing²².

Letlhakane is a large-scale project, with Figure 5 illustrating the extensive size of the deposit which stretches 10km north-south and 8km east-west. Figure 5 also shows the various resource domains and optimised pit shell outlines.

Targeted exploration at Marotobolo on the western border of the ML has added 4.4Mlbs of new RPEEE-constrained Inferred Mineral Resources²³.

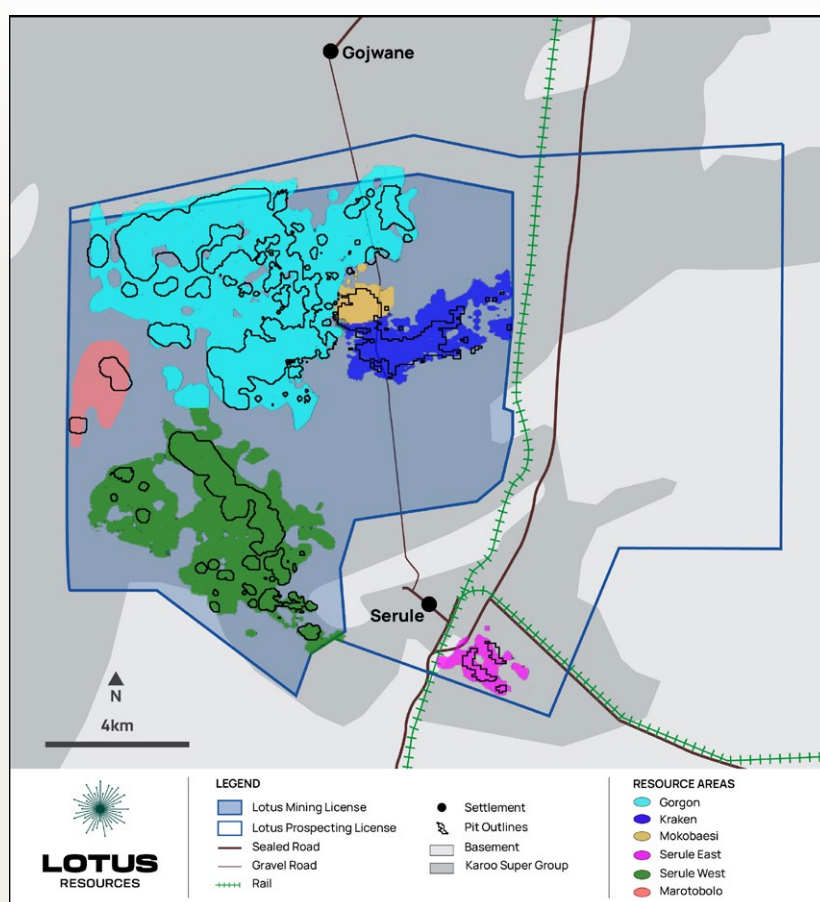


Figure 5: Letlhakane Mineral Resource Areas and Optimised Pit Outlines

Drilling has also identified further Mineral Resource growth opportunities which Lotus plans to assess in future drilling campaigns.

22 See ASX announcement 6 December 2024 – Letlhakane increases indicated mineral resources by 65% - for details

23 See Table 1 – Lotus Mineral Resource Inventory – June 2025

Review of Activities

Letlhakane Scoping Study

In March 2025, Lotus completed a Scoping Study for Letlhakane, supporting the development potential of Letlhakane in a stronger long-term uranium price environment. The Scoping Study has a balanced approach to the combination of production rate, life-of-mine and operating costs, along with maintaining a predominantly (75%) Indicated Resource feed profile. The Scoping Study has primarily focused on the mining elements of the project²⁴. The Selected Case is a 10-year life of mine (LoM) producing 3Mlbpa for total LoM production of 29Mlb; the production schedule is based on 45Mlb (75% of which is Indicated Mineral Resource) in the mill feed, utilising ~40% of Letlhakane's global resource of 114Mlb²⁵.

Due to the large material movements associated with this Project, mining costs are a significant cost driver. The Scoping Study assumes that drill and blast with truck and shovel loading and hauling will be employed for waste mining and continuous miners used for ore mining. Any saving on mining unit rates would have a significant flow on effect for operating costs. Therefore, mining methodologies will form a crucial part of the optimisation process.

Another key driver for Letlhakane's economics is acid consumption, and studies to minimise this were initiated during the period. The immediate focus of the project is to develop a two-stage leaching concept to reduce acid consumption and lab tests to explore this commenced at ANSTO during FY25.

Lotus is also considering further infill drilling to convert more of the remaining Inferred Resources into Measured and Indicated Resources.



²⁴ The Scoping Study Life of Mine Plan contains approximately 25% from Inferred Mineral Resources. 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 realized. The Mineral Resources underpinning the production target have been prepared by a competent person in accordance with the requirements in Appendix 5A (JORC Code).

²⁵ See Table 1 – Lotus Mineral Resource Inventory – June 2025 for a detailed breakdown of the Mineral Resource by classification.

SUSTAINABILITY AND ESG

Lotus' Vision

To be a responsible uranium producer by building strong local communities, a safe and healthy work environment and making a positive contribution to a carbon-free future.

Sustainability at Lotus

Lotus is committed to becoming a leader in sustainability and contributing to a low-carbon future. We embed sustainable practices across our operations to ensure the safety and wellbeing of our people, support thriving communities and protect the environment for future generations. We take a balanced approach to economic, environmental and social priorities, guided by integrity, transparency and cultural sensitivity.

Sustainability is central to our strategy, helping us manage risks and seize opportunities. It is deeply embedded in our vision and core values, which shape our culture and guide behaviour across the organisation.



**We act like
an owner**



**We
care**



**We continuously
improve**



**We
deliver**

Sustainability Governance

The Board is ultimately accountable for guiding our sustainability strategy and overall performance. The ESG Committee provides guidance to the Board and senior leadership on ESG initiatives, helping ensure the Company's performance and disclosures align with leading practices in the mining sector. This encompasses responsibility for guiding policies, ensuring compliance systems are in place, overseeing monitoring efforts, addressing sustainability risks and opportunities, and tracking progress against established targets and performance indicators.

Our policies define our commitments on specific sustainability-related topics. Both the ESG Committee Charter and our governance policies can be found at www.lotusresources.com.au/corporate/corporate-governance.



Sustainability and ESG

Ethical conduct

At Lotus, we uphold high standards of ethical conduct, risk management and regulatory compliance across all jurisdictions. Our Code of Conduct, Anti-Bribery and Corruption Policy and Whistleblower Policy apply to all employees, contractors, joint venture partners and third parties, ensuring accountability throughout our value chain. We prioritise sourcing from local suppliers in Malawi and Botswana, and wherever possible, we help build their capacity to grow beyond our projects and contribute to the broader economic development. We define local suppliers as businesses legally registered in-country, employing local nationals, paying local taxes and transacting in local currency.

Reporting performance

Lotus released its fourth annual Sustainability Report in December 2024 and it is anticipated our FY2025 Sustainability Report will be released in Q4 2025. These Reports provide details of our approach to creating sustainable value for our stakeholders and include an overview of our ESG management systems and performance of our projects and operations. We use guidance from the Global Reporting Initiative (GRI) Sustainability Standards for reporting our ESG performance and material topics for the relevant financial year.



Sustainability and ESG

Health, safety and wellbeing

Operating in the mining sector, Lotus prioritises the safety and wellbeing of our employees through a robust risk management framework that applies the precautionary principle across the full mining life cycle. Our Health and Safety Management Systems (HSMS), aligned with legislation in Western Australia, Malawi and Botswana, govern all exploration and mining activities and apply to employees, contractors, and visitors.

Guided by our Health, Safety and Wellbeing, Radiation and Sustainability Policies, we ensure clear responsibilities and compliance with relevant laws, standards and procedures. Regular health surveillance, including tailored medical examinations, is provided to individuals exposed to occupational hazards to enable early detection and intervention.

In Malawi, malaria remains a significant health risk. Lotus mitigates transmission through integrated control measures such as indoor residual spraying, habitat treatment and mandatory prophylaxis for personnel from non-endemic regions. All visitors receive malaria prevention training during site induction.

Kayelekera and Letlhakane have achieved 4,013 and 601 consecutive days, respectively, without any Lost Time Injuries (LTI) over a total of 4,842,891 and 74,103 person hours worked since the last recorded LTI, respectively, as at 30 June 2025 (2024²⁶: 3,835,866 and 26,217 person hours worked, respectively). During FY25, there were no reportable health and safety incidents for either Kayelekera or Letlhakane (2024: none).

The 12-month rolling Total Recordable Injury Frequency Rate (TRIFR) of the Group was at 1.33 (per 200,000 hours worked), including Kayelekera and Letlhakane at 1.39 and zero, respectively (2024: 2.27 and zero), while the Lost Time Injury Frequency Rate (LTIFR) remains at zero (2024: zero) for the Group.

From FY26, Lotus will report TRIFR per 1 million hours worked. On this basis, Lotus's TRIFR (per 1 million hours worked) in FY24 and FY25 was 10.30 and 6.63, respectively.

Site staff continued to take a proactive approach in relation to incident/accident prevention through implementation of work permit system, Take-5 risk assessments and daily safety toolbox talks.

Safety performance at Kayelekera was below expectation, with seven medical treated injuries (MTI). The incidents that caused these injuries were thoroughly investigated, the basic causes determined and corrective actions developed to prevent re-occurrence. Management attended pre-work toolbox talks in all areas on site and reinforced the requirements for good pre-work planning and risk assessment, proper communication during the completion of a task, and the importance of maintaining focus and concentration when executing a task.

At Letlhakane, a significant safety program was initiated prior to commencement of the drill programme which emphasised safety among personnel and regarding the drill rigs and support equipment with a number of safety measures being enforced (which includes leading indicators from assessment of risk, planned task observation, toolbox safety meetings and Take 5 safety checklists).

26 FY24 Letlhakane statistics reported from acquisition date 7 November 2023



Sustainability and ESG

Radiation management

Lotus manages radiation exposure from both natural radioactive material (NORM) and sealed sources across the full lifecycle of its operations, from exploration, mining and processing, through to rehabilitation and closure. We are committed to safely managing radioactive materials to minimise long-term risks. Our Radiation Management Policy ensures exposure for workers, and the public remains below internationally accepted limits and as low as reasonably achievable (ALARA), with no adverse impact on surrounding communities or the environment.

Radiation risks are governed by site-specific Radiation Management Plans and Radioactive Waste Management Plans, which complement the broader health and safety management plans. These plans are designed in alignment with international standards and comply with national legislation, specifically the *Malawi Atomic Energy Act (2011)* and *Botswana Radiation Protection Act (2006)*.

Labour management and employee relations

Lotus is committed to ethical and sustainable labour practices that provide for a safe working environment where all personnel are treated with respect and protected from discrimination and harassment. We have zero tolerance for workplace bullying, harassment, discrimination and retaliation, including behaviours that are humiliating, intimidating or hostile, as well as any form of sexual harassment. All personnel are responsible for upholding inclusive practices and are encouraged to report any discrimination or breaches of our Code of Conduct or Inclusion and Diversity Policy.

Sound labour management supports legal compliance and strong employee relations, helping prevent disruption and fostering operational stability. We uphold fair and lawful employment practices in line with national and international standards. In Malawi and Botswana, the Company adheres to relevant labour legislation designed to protect worker rights, promote safe working conditions, and uphold principles of non-discrimination, fair remuneration, freedom of association and collective bargaining rights.



Sustainability and ESG

Community relations and engagement

Lotus recognises its responsibility to build respectful, transparent and lasting relationships with host communities through inclusive consultation and open dialogue. Our approach is embedded in social responsibility, support for local enterprise, workforce development and respect for traditional rights and customs.

Community relations at Lotus encompass engagement, social investment and grievance management, with each site tailoring its approach to local context and operational needs. Each site maintains a community feedback mechanism to ensure transparent and respectful engagement.

In January 2025, Lotus and qualified communities formalised a Community Development Agreement (CDA) establishing a collaborative framework for strategic social investment. The CDA focuses on three key objectives: addressing urgent needs through infrastructure support, aligning development with health and socioeconomic impact assessments, and promoting sustainable development across the project-affected region. This structured approach reinforces our commitment to ethical resource development and long-term community benefit.

Under the CDA, 0.45% of revenues will be contributed to the CDA Steering Committee, who will determine how the funds will benefit the local communities around Kayelekera. The objective of the CDA aligns with Lotus' aim to achieve a balance between economic, environmental and social performance.

The CDA was formulated through a process of broad consultation including meetings, focused group discussions, one-on-one interviews, and workshops. Participants included the District Commissioner and all Heads of Government Departments in Karonga District, His Royal Highness Paramount Chief Kyungu and all Traditional Authorities (TAs) for Karonga and Community Leaders around Kayelekera Mine, local CSOs and Community Development Committees (Area Development Committees and Village Development Committees) and local communities residing within a radius of 20km around Kayelekera Mine.

In May 2025, Lotus hosted a site visit for a group of ~35 attendees included Minister for Mining, Hon Kenneth Zikhale Ng'oma, Paramount Chief Kyungu, Deputy Secretary to the President and Cabinet and Head of the Presidential Delivery Unit Dr Janet Banda, local Indigenous leaders along with officials from the Ministry of Finance and Economic Affairs, Mining Regulatory Authority and Malawi media.

Lotus Supports Malawi's Fight Against Gender-Based Violence

In November 2024, Lotus proudly partnered with Malawi's Ministry of Gender, Community Development and Social Welfare to support a powerful campaign against gender-based violence. Led by the Karonga District Council Gender Office, the initiative launched on the International Day for the Elimination of Violence against Women (25 November) and concluded on Human Rights Day (10 December), aligning with the global "UNITE! Invest to Prevent Violence against Women and Girls" theme during the 16 Days of Activism.

Recognised as an impactful tool for raising awareness and mobilising action, the campaign called for the prevention and elimination of violence against women and girls across Malawi. Lotus amplified the message by donating 100 t-shirts, 100 golf shirts, and three banners to strengthen visibility and engagement throughout the region.



Figure 6: The Chairman of the Karonga District Council, Councillor Bellium Msukwa and Gender Officer, Ireen Simwaka receiving the campaign materials.



Figure 7: Handing over STEM awards at Shashe River School

Empowering Youth through Education

In a strong show of commitment to education and youth empowerment, Lotus was Guest of Honour at the Shashe River School Prize Giving Ceremony in Tonota Village, which is home to the district administration of the Letlhakane Uranium Project. The event, held in September 2024, celebrated both academic excellence and personal growth among local students.

As part of the ceremony, Lotus proudly sponsored the Science and Mathematics awards, reinforcing the importance of STEM education in shaping future innovators and problem-solvers.



Sustainability and ESG

Environmental management

Lotus is committed to environmental stewardship through responsible water and waste management, carbon reduction and the protection of surrounding ecosystems. Because mining inherently carries environmental risks, our environmental management approach is built on a guiding framework that emphasises the identification, assessment, and mitigation of these risks, with the precautionary principle applied consistently throughout the mining life cycle.

Aligned with this commitment, Lotus prioritises the following environmental aspects: water, waste and hazardous materials, climate change and energy, catchment (biodiversity) management and mine rehabilitation. We ensure effective environmental compliance and monitoring programmes are implemented and undertake regular inspections and audits on environmental performance. These priorities are integrated into our operations along with our Environmental and Sustainability Policies which mandate compliance with all applicable in-country legislation as a minimum, while integrating good international industry practice where possible.

Water management

Lotus is dedicated to responsible water stewardship across the full mining life cycle, ensuring sustainable use, protection, and management of water resources in alignment with environmental and community expectations. We aim to use no more water than needed and regularly engage with our local communities to understand their water needs. Each of our projects is situated in areas with unique water availability, quality, and seasonal variability, requiring site-specific approaches to water management and impact mitigation.

The Kayelekera Mine is located in a wet tropical savannah region and bounded by watercourses. Water at Kayelekera is managed in accordance with our Water Management Plan that is supported by a suite of standard operating procedures that guide consistent and responsible practices.

Waste management

Uranium mining operations generate diverse waste streams as an inherent part of the extraction and processing cycle. These include significant volumes of mineral waste such as tailings and overburden rock, alongside smaller quantities of non-mineral, hazardous and non-hazardous materials. The safe handling, storage, and transportation of these materials is critical to reducing potential risks to the environment, our workforce, and adjacent communities.

We implement rigorous waste management practices to minimise our impact and ensure full compliance with relevant legislation. We follow the waste hierarchy of reduce, reuse and recycle materials where possible and promote the responsible use of natural resources.

For personal use only



Sustainability and ESG

Tailings management

At Kayelekera, Lotus manages a single above-ground Tailings Storage Facility (TSF), which operated from 2007 to 2014 and has remained in care and maintenance. Since this time, the TSF has been subject to ongoing monitoring using drone technology to assess ground movement and vegetation growth, complemented by regular inspections and prism surveys to evaluate embankment and decant pond integrity. No significant incidents, such as embankment failure or overtopping, have occurred since Lotus assumed ownership in March 2020.

In FY2025, the TSF underwent detailed investigations and remedial works to prepare for tailings deposition. Key mitigation measures include ensuring adequate freeboard, constructing a new decant pond, and reinforcing embankment stability. Over the life of mine, embankment raises will be implemented in accordance with the Australian National Committee on Large Dams (ANCOLD 2019) guidelines and, where practicable, the Global Industry Standard on Tailings Management (GISTM). SLR Consulting serves as the Engineer of Record for TSF. The TSF is operated under a formal Operations, Maintenance and Surveillance (OMS) Manual and a TSF Emergency Preparedness and Response Plan (EPRP) is in place to guide site-level response in the event of TSF-related emergencies involving embankment failure or tailings release under credible flow failure scenarios.

Climate Change and Energy Management

Uranium is a highly efficient low-carbon energy source, and Lotus recognises its strategic role in supporting global efforts to reduce greenhouse (GHG) emissions and combat climate change. As part of this commitment, Lotus is working to minimise emissions across its operations and aims to be among the lowest carbon-emitting uranium producers in the industry.

Recognising the financial risks of climate change, Lotus commenced alignment with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations in FY2022. In support of evolving standards, the Australian Accounting Standards Board (AASB) released the Australian Sustainability Reporting Standards (ASRS) in September 2024, reflecting IFRS-based guidance from the International Sustainability Standards Board (ISSB) and incorporating core elements of the TCFD framework.

In FY2025, Lotus initiated a formal roadmap to align with these standards, including assessment of financial implications of material climate risks. This transition supports enhanced transparency around emissions, net zero planning, and climate-related governance, strengthening our readiness for future reporting obligations.



Sustainability and ESG

Climate governance

Lotus integrates climate-related risks and opportunities into strategic and operational planning, with Board oversight embedded within its broader sustainability framework. The ESG Committee sets climate and ESG objectives, tracks performance and advises on site-level actions, while the Audit and Risk Committee reviews associated risk controls.

Climate risk management

Climate change is classified as a material risk in the Lotus enterprise risk register. Building on the 2023 climate change risk and opportunities assessment, we completed our first qualitative climate scenario analysis in September 2024. Through this process, we considered the risks and opportunities that are most material to the business, examined where they are likely to arise across operations, and assessed the relevant time horizons and scenarios in which they may have the greatest impact. The results of which are detailed in our 2024 Sustainability Report. This comprehensive evaluation informs strategic decision-making, supports long-term resilience planning, and helps identify key transition and physical climate-related risks. By mapping our risks and opportunities across short-, medium- and long-term horizons, Lotus can adapt its strategies to address emerging challenges and potential opportunities in a low-carbon future.

Climate strategy

Lotus is committed to reducing GHG emissions and ensuring resilience across its operations. Power at Kayelekera is currently supplied by diesel generators, a legacy approach from prior mining activity. In FY2022, Lotus conducted a study to transition to a Hybrid Power Strategy which combines grid electricity from Electricity Supply Corporation of Malawi (ESCOM) (primarily sourced from hydropower) with diesel generation as a backup.

In FY2025, the Malawi Environment Protection Authority (MEPA) approved the construction and installation of a 66 kilovolt (kV) ESCOM transmission line to Kayelekera with construction anticipated to commence in late 2025. It is expected the Kayelekera Mine would start drawing power from the grid by end 2026. Lotus is funding the transmission line which could enable villages along the way leave the opportunity to connect into the grid.

Climate-related metrics

Our operations at Kayelekera and Letlhakane consume energy to support a variety of activities with the bulk of the energy used at our operations in Kayelekera emanating from onsite diesel use in our vehicles and in power generation. At Letlhakane we purchase electricity from the Botswana power grid which is predominantly powered by coal-fired energy sources. Overall, stationary (generators) and mobile diesel (vehicles and machinery) are our largest emissions sources. Emissions are calculated internally, using the GHG Protocol Corporate Accounting and Reporting Standards.



Sustainability and ESG

Biodiversity management

Biodiversity is a material issue for mining companies, not just environmentally, but operationally and socially. In Africa, where mining activities often intersect with ecologically sensitive areas and local livelihoods, understanding and managing biodiversity impacts is critical to maintaining healthy ecosystems, regulatory compliance, and stakeholder trust.

Guided by our Environmental Policy, we apply the mitigation hierarchy of avoid, minimise, mitigate and offset across all project stages to reduce ecological impacts. This structured approach ensures that potential ecological impacts are considered early in project design and continuously managed throughout the operational lifecycle, contributing to more informed land-use decisions and measurable environmental outcomes.

In FY2025, we revised the Kayelekera Environmental and Social Impact Assessment (ESIA) as part of the recommencement of mining activities. This assisted in gaining a better understanding of our potential impacts on the surrounding ecosystems and to define measurable actions aimed at reducing environmental disturbance. These findings continue to inform how we manage ecological risk, prioritise restoration areas and monitor the effectiveness of mitigation measures over time. Our sites have Environmental Management Plans (EMPs) which brings together site-wide mitigation and monitoring to manage biodiversity impacts and protect water quality in adjacent watercourses.

Rehabilitation and mine closure

Guided by ecological, social and regulatory considerations, our goal is to return land to a condition that supports practical future uses once mining activities are complete. Rehabilitation and closure form a core part of our mining process. We carry out rehabilitation progressively, aiming to return disturbed areas to a safe and self-sustaining condition that reflects the surrounding environment. The goal is to recreate landforms with similar ecological values and land-use potential to what existed before operations began. Typical rehabilitation activities include reshaping terrain through earthworks, replacing topsoil, reseeding native grasses, planting trees and shrubs, and ongoing monitoring to guide long-term recovery.

All our projects have mine closure plans in place that reflect the phase of the operations and include provisional options for closure of the site as it is today.



Growing Environmental Awareness

In March 2025, Lotus Africa Ltd joined forces with the Karonga Press Club and the Church of Central Africa Presbyterian (CCAP) Primary School to mark Malawi's National Tree Planting Season with an energetic and educational planting exercise. The goal was simple but meaningful, to instil a love for the environment in the next generation and green the school for years to come.

Backed by Lotus' donation of 300 seedlings, students and guests planted trees around the school's maize garden, turning the event into both a learning moment and a step toward long-term sustainability. The initiative drew attention from The Nation, one of Malawi's leading newspapers, which noted: "Karonga Old Mission CCAP Primary School is expected to be under a canopy of trees in the next decade..."

The event was hands-on, with students guided through planting techniques and talks about environmental care.



Figure 8: News coverage of Lotus' involvement in Malawi's National Tree Planting Season

CORPORATE GOVERNANCE

Overview

The Board of Directors support the establishment and continuing development of good corporate governance for the Company to ensure stakeholders' interests are identified, understood and appropriately met. The Board believes that high standards of governance create a corporate culture that values integrity and ethical behaviour, which are fundamental to maintaining our social license to operate and essential for the long-term sustainability of our business.

While the Board is responsible for establishing the corporate governance framework of Lotus, we believe good governance is the collective responsibility of all our management and staff. Lotus' governance framework supports our people to deliver our strategy and provides an integral role in effective and responsible decision making and business conduct. Integral to the framework is our Corporate Code of Conduct (**Code**), which is based on our values, in particular *"We Care – We care about our integrity, always acting lawfully and ethically"*. The Code guides our behaviour and reinforces the importance of carrying out our work responsibly. We use our values and Code to drive the best outcomes for our shareholders, employees, business partners, government, regulators and the broader community.

The Company regularly reviews its governance practices and corporate governance policies to reflect the growth and strategy of the Company, current legislation and good practice.

The policies and procedures within these systems of control and accountability are set out in the Corporate Governance section on the Company's website at www.lotusresources.com.au/corporate/corporate-governance/. The Board is committed to enacting the policies and procedures with openness and integrity, with the intent of providing a strong framework and practical means for ensuring good governance outcomes which meet the expectations of stakeholders.

Our Stakeholders



Government/
Regulators



Shareholders



Employees &
Contractors



Local
Communities



Business
partners /
Suppliers

**Board of
Directors**

Delegation

Accountability

ESG Committee

Remuneration &
Nomination Committee

Audit & Risk Committee

Legislation

Regulation

Policies & Procedures



**LOTUS' CORE
VALUES**

Risk Management

Internal Controls

External Audit

Managing Director

Executive Leadership Team

Kayelekera
(Malawi)

Lethakane
(Botswana)

Corporate
(Perth, Australia)

Projects and
Studies

Operations

Environment,
Social &
Governance

Finance /
Commercial &
Business
Development

Investor
Relations /
Marketing

Line Management & Staff

Figure 9: Lotus' Values framework



Corporate Governance

Governance Changes in FY2025

Board changes included the appointment of CEO Greg Bittar as Managing Director, and the subsequent appointments of experienced Company Directors Leanne Heywood and Simon Hay as non-executive Directors. The Board now has the right mix of skills and expertise to support the Company's production plans at Kayelekera and the future development and growth of our Letlhakane project, and to oversee the corporate governance of the Company.

The management team has also been strengthened, with the appointment of Hayden Bartrop as Chief Commercial Officer and Company Secretary, Warren King as Kayelekera Project Director – Execution and the recent appointment of Ms Melissa Roberts as Chief Financial Officer. Asareh Mansoori Jamshidi was appointed as General Manager - Kayelekera in May 2025.

The Company has invested significantly in systems and processes, including the implementation of a new Company wide enterprise resource planning system, Pronto, which went "live" in July 2025. The Company is also implementing new systems to manage its health and safety as the Company moved from care and maintenance into construction and now operations. Finally, as part of the transition to operations and as part of the Environmental and Social Impact Assessment and the Environmental Certificate, the Company has been investing significantly in ESG, including the appointment of a dedicated ESG Manager for the Company.

ASX Corporate Governance Council's Principles and Recommendations

The Company supports the intent of the 4th Edition of the ASX Corporate Governance Council's Principles and Recommendations (**Recommendations**). The Board has implemented governance policies and practices that are considered appropriate for the Company given its current size and complexity. The Company's corporate governance practices and 2025 Corporate Governance Statement are available on our website at www.lotusresources.com.au/corporate/corporate-governance/.

The Board's process and practice is to review on an ongoing basis its governance practices planning to progressively comply with the Recommendations. This program is subject to the complexity of its business and the potential for significant and dynamic changes to its size and value, as has been experienced in the FY2025 year. A summary of the compliance gaps against the Recommendations is provided in the 2025 Corporate Governance Statement.

Serious Misconduct Reporting

There were no matters reported or referred under the Corporate Code of Conduct, Whistleblower Policy or the Anti-Bribery & Corruption Policy during FY2025.



RISK MANAGEMENT

Lotus is committed to the active management of the risks to its activities. Risk management plays a key role in ensuring the Company achieves its goals. The Board is responsible for setting the Risk Appetite and Tolerance for the Company and is responsible for establishing, overseeing and approving the Company's Risk Management Framework, strategy and policies, internal compliance and internal control. The Board has established an Audit and Risk Committee to which it has delegated responsibility for implementing and overseeing the risk management system. This Committee reports to the Board on its activities and the Board reviews risk information each meeting in accordance with the Risk Management Framework.

The Lotus Resources Risk Management Policy is the overarching document that provides the foundation which supports the framework and processes for the integration of risk management into the Company's business activities. Lotus has implemented an organisational framework for the management of risks which ensures that a formal and consistent process of risk management is carried out. The objective of risk management is to explicitly and clearly manage risks through sound management and continual review.

Key Business Risks

Set out below are the key risk areas that could have a material impact on Lotus. The risks described are not an exhaustive list of risks for Lotus. Risks will inevitably evolve, and new risks will emerge as Lotus implements its strategies to manage and mitigate these in a continuously evolving global environment.

Restarting Operations

As Lotus progresses execution of the restart of operations at the Kayelekera Project in Malawi, the Company continues to manage customary risks which could delay the commissioning and ramp up of operations, impacting the funding requirements or profitability from operations. Such risks include inability to commission the plant in a timely manner or appropriately sequence the commissioning of the process plant, leading to delays in the restart and/or inability to ramp up as quickly as planned; performance of plant and infrastructure, once restarted, that is below expectations; recruitment and retention of experienced skilled personnel; securing equipment, consumables and supplies necessary for the refurbished plant in a timely manner and on acceptable contractual arrangements; ability to connect to the Malawian national grid and associated availability and reliability of power supply, and other factors.

Reliance on Key Personnel

The Group's prospects depend in part on the ability of its executive officers, senior management and employees to operate effectively, both independently and as a group. Attracting and retaining key talent, particularly for Lotus' restarted operations at Kayelekera, is a key area of focus for the Company, given the loss of any of the Group's key personnel, the inability to recruit necessary staff as needed or the increased cost to recruit or retain the necessary staff, may cause a disruption to Lotus and adversely impact the Group's operations, financial performance and financial position.

Any disputes with employees (through personal injuries, industrial matters or otherwise), changes in labour regulations or other developments in the area may cause work stoppages or other disruptions in operations that could adversely affect the Group.



Risk Management

Culture and Business Conduct

An organisation's culture can greatly influence individual and group behaviors. If Lotus Resources' conduct and ethics related controls, frameworks and practices were to fail significantly, be set inappropriately, or not meet legal, regulatory or community expectations, then the Group may be exposed to reputational damage through fines, regulatory intervention or investigation, temporary or permanent loss of license, litigation and or permanent loss of business.

The Group's operations are governed by, and involve interaction with, many levels of government including in Malawi, Botswana and Australia. The Group is subject to various anti-corruption laws and regulations, which prohibit a company and its employees or intermediaries from bribing or making improper payments to foreign officials or other people to obtain or retain business or gain some other business advantage.

The Group maintains anti-bribery policies, anti-corruption training programs, codes of conduct, procedures and other safeguards designed to prevent the occurrence of fraud, bribery and corruption. However, wherever Lotus operates it always needs to be aware of the potential risk of fraud, bribery and corruption. Lotus cannot predict the nature, scope or effect of future regulatory requirements to which the Group's operations might be subject or the manner in which existing laws might be administered or interpreted. Instances of fraud, bribery and corruption, and violations of laws and regulations could expose Lotus and its directors and senior management to civil or criminal penalties or other sanctions and could have a material adverse effect on the Company's reputation, business, results of operations, financial condition and the share price.

Likewise, any investigation of any alleged violations of the applicable anti-corruption legislation by Australia or foreign authorities could also have an adverse impact on Lotus' business, reputation, financial condition and results of operations.



Risk Management

Revenue and Cash Flow Risks

Lotus cannot provide any assurance of its ability to operate its projects profitably. While Lotus intends to generate working capital through operating its Kayelekera mine, there is no assurance that Lotus will be capable of producing positive cash flow on a consistent basis or that such funds will be available for exploration and development programs.

Future operating results depend to a large extent on management's ability to successfully manage growth and development. This necessarily requires rapid expansion and consolidation of all aspects of the business operations, such as the development of mining operations, revenue forecasting, an effective marketing strategy, controlling expenses, implementing infrastructure and systems and managing its assets and contractors. The inability to control the costs and organizational impacts of business growth, an unpredicted decline in the growth rates of revenues without a corresponding and timely reduction in expenses or a failure to manage other issues arising from growth can have a material adverse effect on Lotus' operating results.

There is a significant delay in revenue from the time of production at uranium concentrate at site. This is due to the need to build sufficient inventory, road transport of the product to a port, then ship and subsequently road or rail transport of the product to converters in France, USA or Canada. Once the uranium concentrate is converted, the uranium is sold to a buyer, who then pays on a deferred payment basis. Despite having previously used all three converters in prior operations, Kayelekera's uranium concentrate must be re-qualified by the converters before it can be sold. Any issues with re-qualification may delay the receipt of revenue from production.

Uranium concentrates are not currently subject to import tariffs in the USA as a critical mineral. However, there is a risk that they may be. On 15 April 2025, USA President Donald Trump launched a probe into tariffs on critical minerals, which includes uranium and uranium concentrates. For deliveries to the USA, there is a risk that the Company may need to share equally any tariff under two of its offtake arrangements.

Offtake Risk

The future operations and revenues of Lotus are dependent on the counterparties to the Company's offtake agreements performing their obligations. If counterparties do not take their obligated quantities of product or seek to renegotiate the price or quantity of product, Lotus revenues could be adversely affected. The risk of non-performance or attempted re-negotiation of terms by offtake customers is enhanced by the prevailing demand and pricing sensitivities currently impacting the global market for uranium products.

Logistics

Lotus depends on the availability and affordability of reliable transportation facilities, infrastructure (in particular the quality of roads and bridges) and certain suppliers to deliver reagents, goods and consumables, and its product to market. A lack of these could impact Lotus' production and development of projects. War or other conflicts and flooding or other natural disasters may also impact on the availability of supply chains.

Kayelekera and Letlhakane are in land locked jurisdictions. Transport of material, inputs and uranium concentrate requires transport across neighbouring countries. Restrictions on cross-border transport or disturbances at ports in foreign jurisdictions could impact on Lotus' production, development of projects and sale of product. For uranium concentrate, the transport of uranium concentrate could be disrupted due to licensing requirements or delays or political disputes or availability of suitable shipping liners, or impacts to shipping.



Risk Management

Supply Chain and Counterparty Risk

Kayelekera operates within a complex supply chain. Lotus depends on suppliers of raw materials, services, equipment and infrastructure to ensure its mine and process plant can operate and on providers of logistics to ensure products are delivered. Failure of significant components of this supply chain due to strategic factors such as business failure or serious operational factors could have an adverse effect on Lotus' business and results of operations.

Lotus relies on various key customer and supplier relationships and on contractors to conduct aspects of its operations. As such, Lotus is exposed to risks related to their activities. Although contracted services will be supervised by Lotus' employees, such arrangements with contractors carry with them risks associated with the possibility that the contractors may (among other things) have economic or other interests or goals that inconsistent with Lotus's interests or goals, take actions contrary to Lotus' instructions or requests, or be unable or unwilling to fulfil their obligations.

There can be no assurance Lotus will not experience problems with respect to its contractors and service providers in the future or that it will be able to find replacement contractors on acceptable terms in the event that contractors do not perform as Lotus expects and this may materially and adversely affect its business, results of operations, financial condition and prospects. Financial failure or default by any of the contractors or service providers used by Lotus in any of its activities may impact on operating and/or financial performance.

An interruption in materials or inputs, in particular diesel, sulphur (or sulphuric acid), lime, MgO or hydrogen peroxide, or a deterioration in the quality of materials or inputs supplied, or an increase in the price of those materials or inputs, could also adversely impact the quality, efficiency or cost of production. Any or all of these events could have an adverse impact on Lotus' operations, its financial condition and financial performance and are beyond Lotus' control.

Health and Safety

Lotus aspires to conduct its activities to high standards of occupational health and safety. Lotus has systems in place for the management of risks appropriate for its current level of activity as operations restart. Despite this, uranium exploration and mining is inherently a high-risk environment. In addition, Lotus has interests in a developing country, whereby embedding systems for managing occupational health and safety risks, and maintaining and ensuring compliance with these systems may present challenges for the Group.

Operating in developing countries where HIV/AIDS, malaria, cholera, COVID 19 and other diseases are prevalent may represent a threat to maintaining a skilled workforce. There can be no assurances that such infections will not affect project staff, and there is the risk that operations could be affected in the event of such a safety threat. Any failure to comply with the necessary occupational health and safety requirements could result in a safety claim, fines, penalties and compensation for damages against the Group as well as reputational damage.



Risk Management

Ground Stabilization at Kayelekera

An existing issue at Kayelekera is the ground movement that occurs on the plant terrace. This was identified as early as 2012 by the previous owners of Kayelekera. The DFS provided details of the issue and work undertaken. Based on work undertaken as part of the FEED program some of the measures have been reconsidered and other measures that were recommended will be implemented over the initial years of operation. In addition, Lotus is currently performing earthworks in the area where the majority of the movement has occurred, to remove material that encroached on plant infrastructure during the care and maintenance period and to construct a gabion wall in order to avoid encroachment on the infrastructure. Certain civil and earthwork design changes are being designed to allow for a level of movement tolerance and a management plan implemented to monitor movement to ensure Lotus is able to proactively implement measures to deal with any effects of the movement.

There is no guarantee that these plans for the ground movement will be sufficient or that ongoing geotechnical work will continue to support the current plan. This may result in increased costs to attempt to mitigate the issue, impacts on plant downtime and increased costs to rectify any issues if the management plan fails e.g. any accelerated ground movement or business interruption to operations.

Environmental Liabilities

Uranium exploration and mine development is an environmentally hazardous activity which may give rise to substantial costs for environmental rehabilitation, damage control and losses. The Company's operations may use hazardous materials and produce hazardous waste, which may have an adverse impact on the environment or cause exposure to hazardous materials.

Despite efforts to conduct its activities in an environmentally responsible manner and in accordance with applicable laws, Lotus may be subject to potential risks and liabilities associated with the potential pollution of the environment and the necessary disposal of mining waste products resulting from mineral exploration and production. Insurance against environmental risk (including potential liability for pollution or other hazards as a result of the disposal of waste products occurring from exploration and production) is not generally available to the Group (or to other companies in the minerals industry). While Lotus has appropriate rehabilitation and mine closure provisions in place, to the extent that the Group becomes subject to other environmental liabilities, the satisfaction of any such liabilities would reduce funds otherwise available to the Group and could have a material adverse effect on the Group.

Security of Tenure

All tenements in which the Group has interest are subject to maintenance and renewal conditions which may be subject to discretion from the relevant regulatory authority. There is a risk that the Group may lose title to, or interests in, its tenements, or that such tenements may be subjected to additional conditions or obligations which may require increased funding or that the Group may not be able to comply with.



Risk Management

Mineral Resources and Ore Reserves

The Mineral Resources and Ore Reserves reported by Lotus are estimates only and no assurance can be given that any particular recovery level will be realised. Lotus' estimates are prepared in accordance with the JORC 2012 reporting standard but represent expressions of judgment from qualified professionals based on knowledge, experience, industry practice and resource modelling. Therefore, such estimates are necessarily imprecise and depend to some extent on interpretations, which may prove to be inaccurate or require adjustment or revision. Should the Group encounter mineralisation of formations different to those predicted by past drilling, sampling and similar examinations, resource estimates may have to be adjusted or revised. Adjustments or revisions could impact the Group's development and mining plans and resultant production levels and unit costs.

Due to the uncertainty which may attach to inferred mineral resources there is no assurance that inferred mineral resources will be upgraded to measured and indicated mineral resources or proven and probable ore reserves.

Ore reserves rely on interpretations from the mineral resource in addition to other operating assumptions including mining and processing efficiencies, mining and processing recoveries and operating costs. The basis of these assumptions may change which may require revision to these estimates and actual results may differ from these assumptions.

Speculative Nature of Mineral Exploration and Development

The nature of exploration and development of mineral resources is speculative and by nature contains elements of significant risk which even a combination of experience, knowledge and careful evaluation may not be able to be adequately mitigated. As such there is no guarantee of successful commercialization which depends upon factors such as the global uranium market including demand and price, the discovery and/or acquisition of economically recoverable reserves, access to experienced and skilled exploration and operations personnel, access to adequate capital for project development, securing and maintaining title to interests, obtaining regulatory consents and approvals necessary for the conduct of mineral exploration, development and production and securing plant and equipment given the high competition for such resources in the current period of global exploration and mining activity. There is no assurance that any exploration of the current or future interest held by the Group will result in the discovery of economic uranium deposits.

Uranium Prices and Market

The uranium market is sensitive to a range of external economic and political factors beyond the Company's control which have the potential to impact uranium demand and pricing. These factors include global uranium supply and demand trends, nuclear and other technology development, political developments in uranium producing and nuclear power generating countries, unanticipated destabilising global events or industry related events, general economic conditions, currency exchange rates and other factors.

Nuclear energy is in competition with other sources of energy and is the subject of negative public opinion by some parties due to political, technological and environmental factors which have the potential to impact future uranium prices.

The uranium mining industry is competitive and there is no guarantee that a profitable market may exist for the sale of uranium produced from the Company's assets.



Risk Management

General Economic Conditions

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Group's exploration, development and production activities, as well as on its ability to fund those activities.

Further, share market conditions may affect the value of Lotus' quoted securities regardless of the Group's operating performance. Share market conditions are affected by many factors such as general economic outlook, interest rates, inflation rates, currency fluctuations, changes in investor sentiment toward particular market sectors, the demand for, and supply of, capital and terrorism or other hostilities.

The Group's future revenues and the Group's share price may be affected by these factors, which are beyond the Group's control.

Political Risks, Government Actions and Foreign Jurisdictions

The Group's foreign operations are exposed to various levels of political, economic and other risks and uncertainties associated with operating in a foreign jurisdiction. These risks and uncertainties vary from country to country and include, but are not limited to, currency exchange rates, high rates of inflation, labour unrest, renegotiation or nullification of existing concessions, licenses, permits and contracts, changes in taxation policies, changes in local or Government ownership requirements, restrictions on foreign exchange, changing political conditions, currency controls, export controls and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction.

Changes, if any, in mining or investment policies or shifts in political attitude may adversely affect the Group's operations or profitability. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety. Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure could result in loss, reduction or expropriation of entitlements. The occurrence of these various factors adds uncertainties which cannot be accurately predicted and could have an adverse effect on the operations of the Group.

Climate Change

Increased regulation of greenhouse gas (GHG) emissions could adversely affect the Group's costs of operations. Mining and processing of mineral resources is relatively energy dependent and depends on fossil fuels. Whilst Lotus has a strategy to minimise the use of fossil fuels where practicable there is no assurance that Lotus will be able to implement this strategy or that it will provide the expected benefits.

Regulatory changes by governments may represent an increased cost to the Group. Increasing regulation of GHG emissions, including the introduction of carbon emissions trading or abatement mechanisms, and tighter emission reduction targets or the introduction of a carbon tax in any jurisdiction the Group operates is likely to raise energy costs and costs of production.

Further to this, the Group's activities may be impacted in the future by the effects of climate change, including factors such as increased or decreased rainfall, increased severity of weather events, impacts on ground stability and movement and impacts to planned sources of water for operations. The effects of these risks could adversely affect the Group's activities and performance.



Risk Management

Community Acceptance and Reputation

All industries, including the mining industry, are subject to community actions in the various jurisdictions in which they are present including in Malawi and Botswana. In recent years, communities and non-governmental organisations (NGOs) have become more vocal and active with respect to mining activities at, or near, their communities. These parties may take actions, such as road blockades, applications for injunctions seeking work stoppage and lawsuits for damages.

Additionally, the Group's relationship with the communities in which it operates is important to ensure the future success of existing operations and the construction and development of its projects. While Lotus believes the relationships it has with the communities in which it will operate is strong, there is an increasing level of public concern relating to the perceived effect of mining activities on the environment and on communities impacted by such activities.

Certain NGOs, some of which oppose globalisation and resource development, are also often vocal critics of the mining industry and its practices. Adverse publicity generated by such NGOs or others related to extractive industries generally, or their operations specifically, could have an adverse effect on the Group's reputation or financial condition.

Funding Risk

Exploration and development of the various properties in which Lotus holds interests depends on the Company's ability to obtain funding through joint ventures, debt funding, equity financing or other means. In addition, Lotus is required in the ordinary course of business to provide financial assurances (including insurances, performance guarantees, performance bond and bank guarantee instruments) to secure statutory and environmental performance undertakings and commercial arrangements. Lotus' ability to provide such assurances is subject to the willingness of financial institutions and other third-party providers of such assurances to issue such assurances for the Company's account.

Volatility in uranium markets, or the factors affecting financial institutions and other third parties' assessments of the Company and its prospects, may make it difficult or impossible for the Company to obtain facilities for the issuance of such financial assurances or of other debt financing or equity financing on favourable terms or at all. Failure to obtain such facilities or financing on a timely basis may cause the Company to postpone its development plans, forfeit rights in some or all of its properties or reduce or terminate some or all of its operations, which may have a material adverse effect on the Company's financial position and performance.



Risk Management

Estimates and Assumptions Are Used in Preparing Financial Statements

Preparation of consolidated financial statements required the Company to use estimates and assumptions which require Lotus Resources to use its judgement to determine the amount to be recorded in its financial statements in connection with these estimates.

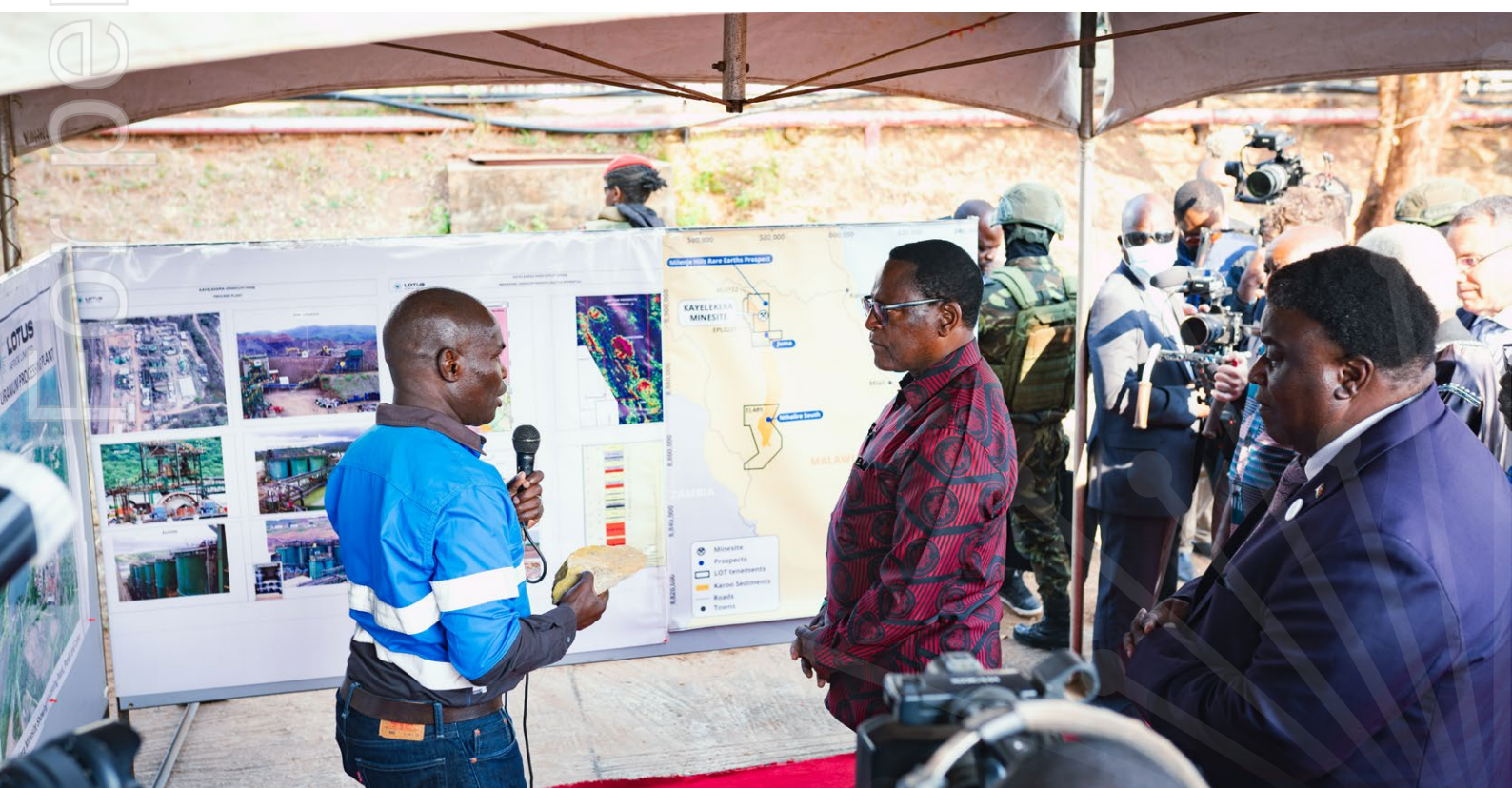
The Company reviews the carrying value of its assets periodically to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the amount of the impairment, if any. Changes in assumptions underlying the carrying value of certain assets, including assumptions relating to uranium prices, production costs, foreign exchange rates, discount rates, tax rates, the level of proven and probable reserves and measured, indicated and inferred mineral resources and market conditions, could result in impairment of such assets. No assurance can be given as to whether there may be significant impairments in future periods, including as a result of further restructuring activities or changes in assumptions underlying carrying values as a result of adverse market conditions in the industry in which the Group operates.

The notes to the financial statements provide information on other balances that require significant estimation, assumptions and judgment.

Insurance

The Group maintains a range of insurance covers for its business activities. These policies will not cover every potential risk associated with its activities. The occurrence of a significant adverse event which is not fully covered by insurance could have a material adverse effect on the Groups financial condition and performance.

The Group may become subject to liability for accidents, pollution and other hazards against which it cannot insure, or against which it may elect not to insure because of premium costs or other reasons, or for amounts which exceed policy limits.



Risk Management

Cyber Security and IT

The Group relies on IT infrastructure and systems and the efficient and uninterrupted operation of core technologies. The Group's core technologies and other systems and operations could be exposed to damage or interruption from system failures, computer viruses, cyber-attacks, power or telecommunication provider's failure or human error. These events may cause one or more of the Group's core technologies to become unavailable. Any interruptions to these operations would impact the Group's ability to operate and could result in business interruption, loss of customers and revenue, damaged reputation and weakening of competitive position and could therefore adversely affect Lotus' operating and financial performance.

Legal Matters

The Group is subject to litigation risks. All industries, including the minerals exploration industry, are subject to legal claims, with and without merit. Defence and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding to which the Group is or may become subject could have a material effect on its financial position, results of operations or the Group's activities.

Changes in Laws

The Group (including the operations of the Group) will be subject to various federal, state and local laws (including Australia, Malawi and Botswana). Changes to current laws in the jurisdictions within which the Group operates, or may in future operate, could have a material adverse impact on the Group's operations, financial performance and financial position.

Share Market Conditions

Lotus Resources is listed on the ASX, and the price of Lotus' shares is subject to many influences that may affect both share market trends and individual company share prices. Such influences include movements in local and international share markets, changes in the outlook for commodities including uranium, inflation, interest rates, general economic conditions, changes in government fiscal, monetary and regulatory policies. Securities markets can experience high levels of price and volume volatility, and the market price of securities of many companies can experience wide fluctuations which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that such fluctuations will not affect the price of Lotus Resources' securities going forward.



ANNUAL STATEMENT OF ORE RESERVES AND MINERAL RESOURCES

Mineral Resources and Ore Reserve Governance

Lotus Resources reviews its Mineral Resource and Ore Reserve (where applicable) estimates on an annual basis or more frequently where circumstances necessitate. The date of reporting is 30 June each year to coincide with Lotus Resources' end of financial year.

The Statement of Mineral Resources and Ore Reserves is prepared in accordance with the JORC Code 2012 and the ASX Listing Rules. Competent Persons named by the Company are members of the Australian Institute of Mining and Metallurgy and/or the Australian Institute of Geoscientists and qualify as Competent Persons as defined under the JORC Code 2012.

The Company engages external consultants and Competent Persons to prepare and calculate estimates of its Mineral Resource and Ore Reserves. These estimates and underlying assumptions are reviewed by the Directors and management for reasonableness and accuracy. The results of the Mineral Resource and Ore Reserve estimates are then reported in accordance with the JORC Code 2012 and the ASX Listing Rules. Where material changes occur to a project during the financial year, including the project's size, title, exploration results or other technical information, previous resource estimates and market disclosures are reviewed for completeness. The Company reviews its Mineral Resources and Ore Reserves as at 30 June each year and where a material change has occurred in the assumptions or data used in previously reported Mineral Resources and Ore Reserves, a revised estimate will be prepared as part of the annual review process.

Lotus prepared a revised Mineral Resource Estimate (MRE) for the Letlhakane deposit that incorporated results of a 164-hole (12,108m) Mineral Resource infill drill program. The revised Letlhakane MRE is constrained by pit shells demonstrating reasonable prospects of eventual economic extraction (RPEEE). There has been no change in Kayelekera Mineral Resources. There has been no change to Ore Reserves.



Annual Statement Of Ore Reserves And Mineral Resources

Mineral Resources

Lotus' global Mineral Resources as at 30 June 2025 is contained in table 1 below and reflects the Mineral Resources Estimate for the Kayelekera Project and the Letlhakane Project.

Table 1 - Lotus Mineral Resource Inventory – June 2025²⁷

Project	Category	Mt	Grade (U ₃ O ₈ ppm)	U ₃ O ₈ (M kg)	U ₃ O ₈ (M lbs)
Kayelekera	Measured	0.9	830	0.7	1.6
Kayelekera	Measured – RoM Stockpile ²⁸	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 ²⁹	2.4	290	0.7	1.5
Kayelekera	Total – Kayelekera	42.5	500	21.1	46.3
Livingstonia	Inferred	6.9	320	2.2	4.8
Livingstonia	Total – Livingstonia	6.9	320	2.2	4.8
Kayelekera Project Total^{30,31}		49.4	472	23.3	51.1
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
Total	All Uranium Resources	191.6	392	75.1	164.8

The information in this document that relates to Mineral Resources were reported by the Company in announcements to the ASX dated 15 February 2022, 9 June 2022, 9 May 2024 and 6 December 2024.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements, and in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. 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.

²⁷ Cut-off grade used for all Mineral Resources is 200ppm

²⁸ RoM stockpile has been mined and is located near mill facility.

²⁹ 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.

³⁰ Kayelekera Mineral Resources are based on a 100% ownership basis of which Lotus has an 85% interest.

³¹ The Kayelekera Mineral Resource Estimate is inclusive of the Kayelekera Ore Reserves.



Annual Statement Of Ore Reserves And Mineral Resources

Ore Reserves

The Ore Reserve estimate has been developed using the 9 June 2022 Mineral Resource Estimate for Kayelekera only (i.e. excluding the Livingstonia Resource Estimate) and is based on the optimised mine plan and production schedule prepared as part of the Restart Definitive Feasibility Study reported in ASX announcements dated 11 August 2022.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements; and in the case of estimates of Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. 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.

Table 2 - Lotus Resources Ore Reserve Inventory – July 2022³²

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

Comparison Against Previous Year

Lotus prepared a revised Mineral Resource Estimate (MRE) for the Letlhakane deposit that incorporated results of a 164-hole (12,108m) Mineral Resource infill drill program. The revised Letlhakane MRE is constrained by pit shells demonstrating reasonable prospects of eventual economic extraction (RPEEE). Table 3 below shows a comparison between the previous and current Letlhakane MRE and the previous and current total MRE, there has been no change to the Kayelekera Project Mineral Resource Estimate.

Table 3 – Mineral Resource – Comparison between previous and updated

Category	Previous MRE				Current MRE			
	Mt	Grade (U ₃ O ₈ ppm)	U ₃ O ₈ (M kg)	U ₃ O ₈ (M lbs)	Mt	Grade (U ₃ O ₈ ppm)	U ₃ O ₈ (M kg)	U ₃ O ₈ (M lbs)
Total – Kayelekera	49.4	472	23.3	51.1	49.4	472	23.3	51.1
Indicated – Letlhakane	46.1	339	15.6	34.4	71.6	360	25.9	56.8
Inferred - Letlhakane	109.2	348	38.0	83.8	70.6	366	25.9	56.9
Total – Letlhakane	155.3	345	53.6	118.2	142.2	363	51.8	113.7
Total	204.7	377	76.8	169.3	191.6	392	75.1	164.8

³² 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.

Annual Statement Of Ore Reserves And Mineral Resources

Competent Persons Statement

The Mineral Resource estimate for the Kayelekera deposit were prepared by David Princep of Gill Lane Consulting. David Princep has visited the Kayelekera Project on numerous occasions since 2003 with the most recent being in October 2013 just before the Project was placed on care and maintenance. Mr. Princep is a Fellow of the Australasian Institute of Mining and Metallurgy and a Chartered Professional Geologist. Mr. Princep has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration 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 (JORC 2012). Mr. Princep approves of, and consents to, the inclusion of the information in this announcement in the form and context in which it appears.

The Mineral Resource estimate for the Livingstonia deposit was prepared by David Princep of Gill Lane Consulting. David Princep has visited the Livingstonia Project on two occasions with the most recent being in October 2013 just before the adjacent Kayelekera Project was placed on care and maintenance. Mr. Princep is a Fellow of the Australasian Institute of Mining and Metallurgy and a Chartered Professional Geologist. Mr. Princep has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration 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 (JORC 2012). Mr. Princep approves of, and consents to, the inclusion of the information in this announcement in the form and context in which it appears.

The Mineral Resource estimate for the Letlhakane deposit was prepared by Ian Glacken and Matthew Walker of Snowden Optiro. Mr Glacken has visited the Letlhakane Project on several occasions since 2009 with the most recent being in 2010. Mr. Glacken is a Competent Person who is a Fellow of the Australasian Institute of Mining and Metallurgy and a Chartered Professional in Geology. Matthew Walker is a member of the Australasian Institute of Mining and Metallurgy and a Chartered Professional in Geology. Mr. Glacken and Mr Walker have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Persons as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC 2012). Mr. Glacken and Mr Walker approve of, and consent to, the inclusion of the matters based on their information in this announcement in the form and context in which it appears.

The Ore Reserve estimate for the Kayelekera deposit was prepared by Ryan Locke of Orelogy Consulting. Ryan Locke has visited the Kayelekera Project from 29th to 30th April 2022 while the Project was placed on care and maintenance. Mr Locke is a Member of the Australasian Institute of Mining and Metallurgy (AUSIMM). Mr Locke has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration 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 (JORC 2012). Mr Locke approves of, and consents to, the inclusion of the information in this announcement in the form and context in which it appears.

Information relating to Uranium Exploration results is based on information compiled by Mr Harry Mustard, a contractor to Lotus Resources Limited and Competent Person who is a member of the Australian Institute of Geoscientists (MAIG). Mr Mustard has sufficient experience that 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 under the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Mustard consents to the inclusion of the matters based on his information in this announcement in the form and context in which it appears.



REFERENCE TO PREVIOUS ASX ANNOUNCEMENTS

The information in this report that relates to the Mineral Resource Estimate was announced on 9 June 2022, 15 February 2022, 9 May 2024 and 6 December 2024. The Company confirms that it is not aware of any new information or data that materially affects the information included in the announcements of 9 June 2022, 15 February 2022 and 9 May 2024 and 6 December 2025 and that all material assumptions and technical parameters underpinning the Mineral Resource Estimate in that announcement continue to apply and have not materially changed.

The information in this announcement that relates to the Ore Reserve Estimate at Kayelekera was announced on 11 August 2022. The Company confirms that it is not aware of any new information or data that materially affects the information included in the announcement dated 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.

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

FORWARD LOOKING STATEMENTS

This Activities Report includes “forward-looking statements” within the meaning of securities laws of applicable jurisdictions. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are in some cases beyond Lotus Resource Limited’s control. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this announcement, including, without limitation, those regarding Lotus Resource Limited’s future expectations. Readers can identify forward-looking statements by terminology such as “aim,” “anticipate,” “assume,” “believe,” “continue,” “could,” “estimate,” “expect,” “forecast,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “risk,” “should,” “will” or “would” and other similar expressions. Risks, uncertainties and other factors may cause Lotus Resource Limited’s actual results, performance, production or achievements to differ materially from those expressed or implied by the forward-looking statements (and from past results, performance or achievements).

These factors include, but are not limited to, the failure to complete and commission the mine facilities, processing plant and related infrastructure in the timeframe and within estimated costs currently planned; variations in global demand and price for uranium; fluctuations in exchange rates between the U.S. Dollar and the Australian Dollar; uncertainty in the estimation of mineral resources and mineral reserves; the failure of Lotus Resource Limited’s suppliers, service providers and partners to fulfil their obligations under construction, supply and other agreements; the inherent risks and dangers of mining exploration and operations in general; environmental risks; unforeseen geological, physical or meteorological conditions, natural disasters or cyclones; changes in government regulations, policies or legislation; foreign investment risks in Malawi; breach of any of the contracts through which the Company holds property rights; defects in or challenges to the Company’s property interests; uninsured hazards; industrial disputes, labour shortages, political and other factors; the inability to obtain additional financing, if required, on commercially suitable terms; reliance on key personnel and the retention of key employees; the impact of the outbreak of disease on the Company’s business and operations; and global and regional economic conditions. Readers are cautioned not to place undue reliance on forward-looking statements. The information concerning possible production in this announcement is not intended to be a forecast. They are internally generated goals set by the board of directors of Lotus Resource Limited. The ability of the Company to achieve any targets will be largely determined by the Company’s ability to secure adequate funding, implement mining plans, resolve logistical issues associated with mining and enter into any necessary offtake arrangements with reputable third parties. Although Lotus Resource Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

Directors' Report

The Directors present their report, including the Remuneration Report and Financial Report of Lotus Resources Limited (the Company or Lotus or Lotus Resources) and its subsidiaries (the consolidated entity or Group) for the year ended 30 June 2025, and the auditor's report thereon.

Directors' Profiles

The Directors of the Company at any time during or since the end of the financial year are:



Mr Michael Bowen

Bachelors of Law, Jurisprudence and Commerce,
and Certified Public Accountant

Non-Executive Chairman – Since appointment on 22 February 2021

Experience and expertise

Mr Bowen is a partner of the national law firm Thomson Geer. He practices primarily corporate, commercial and securities law with over 40 years of experience and emphasis on mergers, acquisitions, capital raisings and resources.

Mr Bowen holds Bachelors of Law, Jurisprudence and Commerce from the University of Western Australia. He has been admitted as a barrister and solicitor of the Supreme Court of Western Australia since 1979 and is also admitted as a solicitor of the High Court of Australia. He is a Certified Public Accountant and member of the Australian Society of Certified Practising Accountants.

Mr Bowen is regularly engaged to advise on a broad range of domestic and cross-border transactions including mergers and acquisitions, capital raisings, re-constructions, risk management, due diligence and general commercial and corporate law.

Other current directorships

Genesis Minerals Limited (Non-Executive Director)
Emerald Resources NL (Non-Executive Director)

Former directorships in the last 3 years

Omni Bridgeway Limited (Non-Executive Director
from 30 November 2001 to 30 November 2022)

Special responsibilities

Board Chairman (from 22 February 2021)
Member of Audit and Risk Committee (from 1 July 2022)
Member of Remuneration and Nomination
Committee (from 9 August 2024)

Interests in shares and options

Ordinary shares	5,370,000
Unlisted Options	3,000,000





Ms Leanne Heywood

Bachelor of Business in Accounting, Master's Degree in Business Administration, Certified Practising Accountant

Non-Executive Director - Since appointment on 3 February 2025

Experience and expertise

Ms Heywood is an experienced non-executive director, audit and risk committee, and people and remuneration committee chair, with broad general management experience gained through an international career in the mining sector, including 10 years with the Rio Tinto Copper Group. Her experience includes strategic marketing, business finance and compliance and she has led organisational restructures, mergers, acquisitions and disposals at both the executive and board level. Additionally, she has significant experience in complex cross-cultural negotiations and stakeholder relationships management, including governments and investment partners and leadership expertise in China, Japan, Mongolia, Singapore and South America.

Ms Heywood received a Medal of the Order of Australia in 2021 and was named 2019 NSW Business Woman of the Year. She holds a Bachelor of Business (Accounting), an Executive MBA (Melbourne Business School) and is a member of the Australian Institute of Company Directors (GAICD) and is a Fellow of the CPA Australia (FCPA)

Other current directorships

MAC Copper Limited (Non-Executive Director) Snowy Hydro Limited (Non-Executive Director) Deterra Royalties Limited (Non-Executive Director) Denison Gas Limited (Non-Executive Director) Advanced Energy Minerals Limited (Non-Executive Director)

Former directorships in the last 3 years

Arcadium Lithium PLC (Non-Executive Director) Midway Limited (Non-Executive Director) Quickstep Holdings Limited (Non-Executive Director) Symbio Limited (Non-Executive Director)

Special responsibilities

Chair of Audit and Risk Committee (from 1 May 2025)
Member of Remuneration and Nomination Committee (from 5 June 2025)

Interests in shares and options

Ordinary shares	90,000
Unlisted Options	Nil



Mr Simon Hay

Bachelor of Science in Chemistry, Master's Degree in Applied Science, Graduate Diploma in Management

Non-Executive Director – Since appointment on 3 February 2025

Experience and expertise

Mr Hay has extensive management and technical experience in the minerals industry with a career spanning over 30 years in Australia and internationally. He is currently Executive Chairman of Leo Lithium Ltd (ASX: LLL). Leo Lithium developed the Goulamina Lithium Project in Mali West Africa and sold the project to its joint venture partner in 2024.

From December 2021 to December 2023, Mr Hay was non-executive Chairman of Battery Future Acquisition Corporation. BFAC was a special purpose acquisition company listed on NYSE and was acquired by a third party in December 2023.

From July 2019 to November 2021, he was CEO of Galaxy Resources, an ASX listed lithium producer and developer until merging with Orocobre to create a A\$5Bn, top 5 global lithium producer.

Prior to this, as Head of Resource Development for Iluka Resources Limited, Mr Hay was responsible for all development functions including building two mineral sands concentrators in Sierra Leone, West Africa.

Other current directorships

Leo Lithium Limited (Executive Chair)

Former directorships in the last 3 years

Battery Future Acquisition Corp. (Non Executive Chair)

Special responsibilities

Chair of Remuneration and Nomination Committee (from 1 May 2025)

Chair of ESG Committee (from 5 June 2025),
Member of Committee (from 3 February 2025)

Member of Audit and Risk Committee (from 5 June 2025)

Interests in shares and options

Ordinary shares	200,000
Unlisted Options	Nil





Mr Gregory Bittar
Bachelor of Economics and Law, and Master's Degree in Finance
Chief Executive Officer and Managing Director –
since appointment on 12 December 2024

Experience and expertise

Mr Bittar is an accomplished capital markets/finance and resource industry executive with 25 years of experience. Mr Bittar brings extensive experience from positions held across investment banking, metals and mining and energy companies in relation to funding, exploration, M&A, project evaluation and project development studies.

Mr Bittar has extensive experience in public and private markets mergers and acquisitions, capital markets and strategic advisory assignments across a range of sectors including general industrials, metals and mining, mining services and energy. He has worked for Bankers Trust, Baring Brothers Burrows and Morgan Stanley.

Mr Bittar holds an Economics (BEC) degree and Law (LLB) degree from the University of Sydney and a Masters in Finance from London Business School.

Other current directorships	Horizon Oil Limited (Non-Executive Director)
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Former directorships in the last 3 years	Brightstar Resources Limited
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Special responsibilities	Member of ESG Committee (from 12 December 2024)
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Interests in shares and options

Ordinary shares	520,000
Unlisted Options	8,000,000

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Directors' Report

Mr Keith Bowes

BSc Chemical Engineering, Australian Institute of Company Directors (AICD)

Managing Director – 15 February 2021 until 9 August 2024

Technical Director – From 9 August 2024 until 11 December 2024

Resignation date: 31 March 2025

Experience and expertise	Mr Bowes is a highly regarded mining executive with over 30 years of experience working on project development and operations in Africa, South America and Australia across a range of commodities and processes.
Other current directorships	Copper Strike Limited (Non-Executive Director)
Former directorships in the last 3 years	None
Special responsibilities	Managing Director (until 9 August 2024) Member of ESG Committee (until 11 December 2024)

Mr Grant Davey

BSc Mining Engineering, AICD

Non-Executive Director - Since appointment on 22 June 2020 until 9 August 2024

Executive Director – 9 August 2024 until 31 March 2025

Resignation date: 1 April 2025

Experience and expertise	Mr Davey has extensive experience in the development, construction, and operation of mining and energy projects. Prior experience includes AngloGold Ashanti in South Africa, mining uranium as a byproduct. Mr Davey was instrumental in the acquisition of the Kayelekera Uranium Mine in Malawi from Paladin Energy (2020).
Other current directorships	Frontier Energy Limited (Executive Director) Earths Energy Limited (Executive Chairman) (formerly Cradle Resources Limited)
Former directorships in the last 3 years	Waroona Energy Inc. (TSXV: WHE) (Non-Executive Director from 16 March 2022 to 15 May 2023)
Special responsibilities	None

Directors' Report

Mr Mark Hanlon

Master of Business (Banking & Finance), Bachelor of Business (Accounting & Finance)

Non-Executive Director – 22 February 2021 until 30 April 2025

Resignation date: 30 April 2025

Experience and expertise	Mr Hanlon has over 25 years of experience in the resources and resource services sector, as well as in commercial and merchant banking.
Other current directorships	None
Former directorships in the last 3 years	Copper Strike Limited (Non-Executive Chairman from 25 November 2020 to 6 December 2022) Red River Resources Limited (Non-Executive Director from 1 October 2015 to 29 August 2023) Waroona Energy Inc (Non-Executive Director; TSXV: WHE from 15 May 2023 to 13 December 2023)
Special responsibilities	Chair of Audit and Risk Committee (from 1 July 2022 until 30 April 2025) Chair of Remuneration and Nomination Committee (from 1 July 2022 until 30 April 2025)

Ms Dixie Marshall

Bachelor's Degree - Physical Education

Non-Executive Director – 1 April 2022 until 4 June 2025

Resignation date: 4 June 2025

Experience and expertise	Ms Marshall has held senior leadership positions in government, media, sport, energy and advertising. An award-winning journalist, she has 40 years' experience in government relations and strategic communications.
Other current directorships	Frontier Energy Limited (Non-Executive Director) Marketforce (Director and Chief Growth Officer) WA Football Commission (Deputy Chair) Member Australian Sports Commission
Former directorships in the last 3 years	None
Special responsibilities	Chair of Environment, Social and Governance Committee (from 1 July 2022 until 4 June 2025) Member of Audit and Risk Committee (until 4 June 2025) Member of Remuneration and Nomination Committee (until 4 June 2025)

COMPANY SECRETARY

Mr Hayden Bartrop

Bachelor of Law and Commerce, Master of Business Administration
Chief Commercial Officer (CCO) & Company Secretary – Appointed on 2 October 2024

Experience and expertise	Mr Bartrop has extensive managerial, commercial, corporate/business development and legal experience across the mining industry working across Chief Financial Officer, General Counsel, Business and Corporate Development, Commercial and Company Secretary roles.
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Interests in shares and options

Ordinary shares	237,500
Unlisted Options	3,352,942

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Directors' Report

Directors' Meetings

The number of directors' meetings (including meetings of committees of directors) and the number of meetings attended by each of the directors of the Company during the financial year are:

	Board of Directors		Audit and Risk Committee		Remuneration and Nomination Committee		ESG Committee	
Director	Meetings Held ¹	Meetings Attended ²	Meetings Held ¹	Meetings Attended ²	Meetings Held ¹	Meetings Attended ²	Meetings Held ¹	Meetings Attended ²
Michael Bowen	7	7	3	3	4	3	-	-
Gregory Bittar ³	2	2	-	-	-	-	1	1
Leanne Heywood ⁴	2	2	2	2	1	1	-	-
Simon Hay ⁵	2	2	-	-	1	1	1	1
Dixie Marshall ⁶	7	7	3	2	3	3	3	3
Mark Hanlon ⁷	6	6	2	2	3	3	-	-
Grant Davey ⁸	6	5	-	-	-	-	-	-
Keith Bowes ⁹	5	5	-	-	-	-	2	1

	Current Chair		Former Chair		Current / Former Member
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Notes:

1. Number of meetings held during the time the Director held office eligible to attend, or was a member of the Board Committee and was eligible to attend.
2. All Non-Executive Directors have a standing invitation to the Committees.
3. Mr Bittar was appointed Managing Director and a member of the ESG Committee on 12 December 2024.
4. Ms Heywood was appointed a director on 3 February 2025. Ms Heywood was appointed Chair of the Audit and Risk Committee on 1 May 2025 and a member of the Remuneration and Nomination Committee on 5 June 2025.
5. Mr Hay was appointed a Director on 3 February 2025. Mr Hay was appointed as Chair of Remuneration and Nomination Committee on 1 May 2025. Mr Hay was appointed to the ESG Committee on 3 February 2025 and became Chair on 5 June 2025. Mr Hay was appointed to the Audit and Risk Committee on 5 June 2025.
6. Ms Marshall was Chair of the ESG Committee and a member of the Audit and Risk Committee and Remuneration and Nomination Committee until 4 June 2025. Ms Marshall resigned as a director on 4 June 2025.
7. Mr Hanlon was Chair of the Audit and Risk Committee and Remuneration and Nomination Committee until 30 April 2025. Mr Hanlon resigned as a director on 30 April 2025.
8. Mr Davey was a Non-Executive Director until 8 August 2024, when he was appointed Executive Director. Mr Davey resigned as director and executive on 31 March 2025.
9. Mr Bowes was Managing Director until 8 August 2025 and then Technical Director until 11 December 2024 when he resigned as director. Mr Bowes was a member of the ESG Committee until 11 December 2024. Mr Bowes resigned as an executive on 31 March 2025.

Directors' Report

Principal Activity

The principal activity of the Group during the financial year was the exploration and development of the Group's Kayelekera Uranium Project in Malawi and Letlhakane Uranium Project in Botswana.

Significant Changes in the State of Affairs

There were no significant or material changes to the Consolidated Entity's state of affairs during the financial year ended 30 June 2025, other than as disclosed below:

- In September 2024, issued 605,093 shares as a staff bonus in relation to Lotus Marula Pty Ltd (formerly A-Cap Energy Limited);
- During the financial year, issued 8,971,809 shares as a result of the conversion of unlisted Lotus options;
- Between October 2024 and December 2024, issued 529,064,000 new shares from a completed institutional placement and share purchase plan to raise \$132,266,000 in gross proceeds to enable the Group to accelerate the restart works at its Kayelekera mine and advance works at its Letlhakane project in Botswana;
- Finalised Kayelekera Mine Development Agreement (MDA) with the Government of Malawi in July 2024 and entered into a Community Development Agreement (CDA) in January 2025;
- Following shareholder approval of Tranche 2 of the \$130 million (before costs) equity placement to institutional and sophisticated investors on 6 December 2024 and receipt of funds on 12 December 2024, the Board made a Final Investment Decision (FID) for the Accelerated Restart of Kayelekera .
- In April 2025, executed a Project Implementation and Power Supply Agreement with Electricity Supply Corporation of Malawi to enable connection to the Malawi electricity grid in late calendar year 2026.
- In June 2025, commissioning of the refurbished Kayelekera processing plant commenced.
- During the financial year, executed four binding offtake agreements with major global utilities and traders for 3.5 million pounds of uranium concentrate to be delivered between 2026 and 2029 (inclusive), with a fixed price based on the uranium term price (with escalation from 2026 in line with the RBA inflation target rate).
- In December 2024, following an extensive drill program, an updated Mineral Resource Estimate for Letlhakane was completed.
- In March 2025, a Scoping Study for Letlhakane was completed.
- During the financial year, strengthened the board of the Company with the appointment of Mr Gregory Bittar as Managing Director, and Ms Leanne Heywood and Mr Simon Hay as non-executive directors. Mr Grant Davey, Mr Keith Bowes, Mr Mark Hanlon and Ms Dixie Marshall retired as directors of the Company.



Directors' Report

Operating and Financial Overview

A review of the Company's exploration and development activities during the year is discussed in the Review of Activities section included in this Annual Report.

A review of the Company's material business risks during the reporting period, and relevant to executing the Company's strategy, is discussed in the Risk Management section included in this Annual Report.

Profit or Loss

The Group incurred a loss after income tax of \$15,583,795 for the financial year (2024: loss after income tax of \$25,243,725). The current year loss is primarily attributable to the Company's corporate and administrative expenses including share-based payments; care and maintenance and pre-production expenditures at its Kayelekera Project; and exploration and evaluation expenses at its African subsidiaries.

Financial Position

As at 30 June 2025, the net current assets and net assets of the Group amounted to \$93,089,060 (2024: \$32,254,767) and \$235,528,162 (2024: \$127,394,878), respectively.

In relation to the net current assets, cash and cash equivalents increased during the year by \$19,966,470 to \$54,092,246 as at 30 June 2025 (2024: \$34,125,776). Short-term investments (term deposits greater than 3 months) increased to \$21,841,538 (2024: Nil). The increase in cash and cash equivalents and short-term investments was attributable to the capital raise of \$132,266,000 (before costs).

The increase in net assets is largely attributable to the capitalisation of expenditures relating to the accelerated restart of operations at Kayelekera.

Cash Flows

Net cash outflow from operating activities for the year was \$10,316,885 (2024: \$7,327,711), with the increase mainly attributed to payments to suppliers and employees.

Net cash outflow used in investing activities amounted to \$85,283,347 (2024: \$2,648,037), with the increase attributable to the accelerated restart of the Kayelekera Uranium Project which commenced in October 2024.

Net cash inflows from financing activities was \$125,051,394 (2024: \$28,722,184), the increase resulting from the receipt of net proceeds from a capital raising through the issuance of shares to raise \$132,266,000 (before costs).



Directors' Report

Likely Developments and Expected Results of Operations

In the opinion of the Directors, there is nothing material further to report, except as outlined in the Directors' Report, which relates to likely developments in the operations of the Group and the expected results of those operations in financial year subsequent to 30 June 2025.

Matters Subsequent to the end of the Financial Year

On 18 July 2025, the Company announced that it had been notified by the Malawi Environment Protection Authority that following approval of the Environmental and Social Impact Assessment (ESIA) Report for the Kayelekera Uranium Mine, the ESIA Certificate is to be issued. Subsequently, on 5 August 2025 the Company announced it had received the ESIA Certificate for Kayelekera.

On 23 July 2025, the Company announced that Ms Melissa Roberts had been appointed Chief Financial Officer, effective 28 July 2025. On the same date, Mr Hayden Bartrop would return to his role as Chief Commercial Officer and Company Secretary.

On 23 July 2025, the Company announced that it had issued two million fully paid ordinary shares under the Company's Options Plan.

On 31 July 2025, the Company announced that high grade ore processing commenced at Kayelekera as final commissioning had progressed. Subsequently, on 1 September 2025 it was announced that first uranium at Kayelekera had been produced.

On 4 September 2025, the Company announced that it had completed a \$65 million placement (before costs) with the shares to be issued in two tranches. The first tranche of approximately 342,105,264 shares does not need shareholder approval as it is being issued pursuant to Lotus' placement capacity under ASX Listing Rule 7.1. The second tranche of approximately 1,210,526 shares to Directors requires shareholder approval for the purposes of ASX Listing Rule 10.11 or 10.14.

There were no other matters or circumstances that have arisen since 30 June 2025 that have significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.



Directors' Report

Shares and Options on Issue

At the date of this report, the Company has 2,713,962,272 fully paid ordinary shares on issue.

The following options over ordinary shares in the Company were on issue at the date of the Directors' report:

Unlisted Options - Number	Issue Date	Expiry Date	Exercise Price - Per Option
1,662,340	14 November 2022	31 October 2027	\$0.00
1,620,156	25 November 2022	31 October 2027	\$0.00
256,122	30 October 2023	31 October 2026	\$0.00
1,464,586	30 October 2023	31 October 2028	\$0.00
1,282,073	28 November 2023	31 October 2028	\$0.00
5,000,000	28 November 2023	30 September 2026	\$0.00
4,000,000	20 May 2024	20 May 2027	\$0.30
2,000,000	21 August 2024	22 August 2027	\$0.30
6,000,000	30 August 2024	08 August 2027	\$0.00
2,000,000	12 November 2023	08 October 2027	\$0.30
2,948,573	23 January 2025	30 June 2027	\$0.00
3,829,536	23 January 2025	30 June 2029	\$0.00
401,860	11 March 2025	30 September 2026	\$0.00
190,321	19 March 2025	30 June 2027	\$0.00
220,966	19 March 2025	30 June 2029	\$0.00
32,876,533	Total Unlisted Options		

The number of shares that were issued during the financial year on the conversion of options was 8,971,810 (2024: 22,236,879). The weighted average exercise price of these options was 0.00 cents (2024: 0.00 cents).

There were 5,669,303 (2024: 1,682,408) options that were forfeited or cancelled during the financial year and none since the end of the financial year. There were no (2024: nil) options that lapsed unexercised during the financial year.

Dividends

No dividends were paid to members during the financial year and the Directors do not recommend the payment of a dividend.

Directors' Report

Environmental Regulation and Performance

The Group's exploration and mining activities are governed by a range of environmental legislation and regulations. Lotus is not yet subject to the public reporting requirements of environmental legislation and regulations. To the best of the directors' knowledge, the Group has adequate systems in place to ensure compliance with the requirements of the applicable environmental legislation and is not aware of any breach of those requirements during the financial year and up to the date of the Directors' Report.

Indemnification of Officers and Auditors

Indemnification of Officers

The Company has agreed to indemnify the current Directors and Executives of the Company against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as Directors and Executives of the Company, except where the liability arises out of conduct involving a lack of good faith or gross misconduct.

The agreement stipulates that the Company will meet to the maximum extent permitted by law the full amount of any such liabilities, including costs and expenses.

Indemnification of Auditor

To the extent permitted by law, Lotus Resources has agreed to indemnify its auditor, RSM Australia Partners (RSM), as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). The Directors have not provided RSM with any indemnities. No payment has been made to indemnify RSM during or since the end of the financial year.

Insurance Premiums

The Company paid a premium during the financial year in respect of a Director and Officer liability insurance policy, insuring the Directors and Officers of the Company against a liability incurred as such a Director or Officer to the extent permitted by the Corporations Act 2001. The Directors have not included details of the nature of the liabilities covered in respect of the Directors' and Officers' liability and legal expenses' insurance contracts, as such disclosure is prohibited under the terms of the contract.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings. No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.



Directors' Report

Non-Audit Services

Details of amounts paid or payable to the Company's auditor, RSM Australia Partners, for audit and non-audit services provided during the financial year are set out in note 23.

The Board is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the provision of non-audit services by the auditor did not compromise the auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- a) all non-audit services have been reviewed by the Board to ensure they do not impact the impartiality and objectivity of the auditor; and
- b) none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

Rounding of Amounts

Lotus Resources Limited is a type of company that is referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and therefore the amounts contained in this report and in the financial report have been rounded to the nearest dollar.

Remuneration Report

The Remuneration Report set out on pages 66 to 97 forms part of the Directors' Report and is signed as part of it.

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Directors' Report

Auditor's Independence Declaration

The auditor's independence declaration as required under Section 307C of the *Corporations Act 2001* is set out immediately after this Directors' Report.

Auditor

RSM Australia Partners continues in office in accordance with Section 327 of the *Corporations Act 2001*.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

Signed in accordance with a resolution of the directors:



Mr Gregory Bittar
Managing Director

23 September 2025



Audited Remuneration Report



MESSAGE FROM THE CHAIR OF THE REMUNERATION AND NOMINATION COMMITTEE

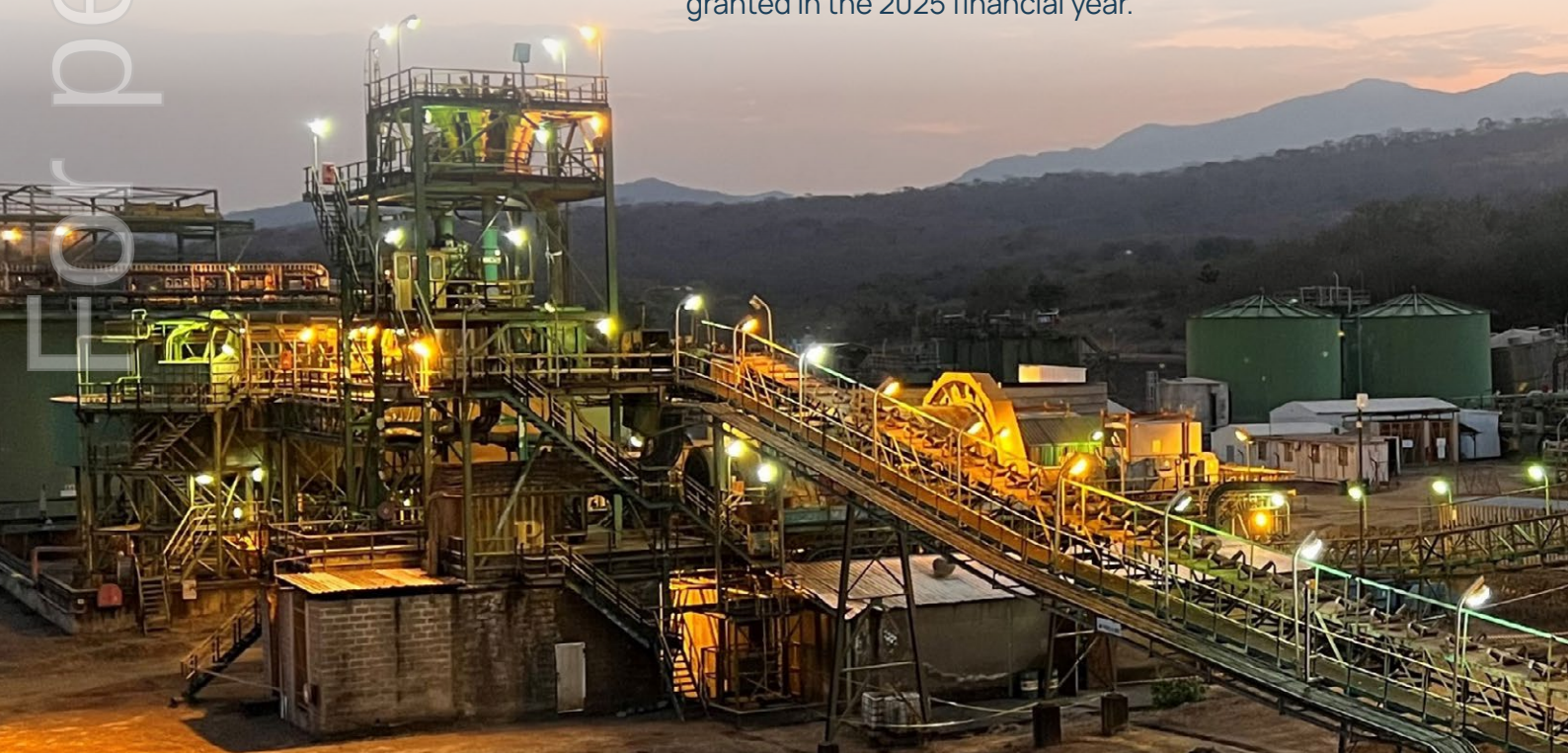
Dear Shareholders,

On behalf of the Board, I am pleased to present the Lotus Resources Remuneration Report for the 2025 financial year.

Following a decision to restart the operations at Kayelekera, a significant Board and management restructure was undertaken in FY2025 to ensure the Company has the necessary skills to oversee the change in complexity and size of the business, and the necessary construction and operational skills to drive the success of the Company.

Aligned with this transformational change, the Board appointed independent remuneration consultants to review the Group's remuneration framework to ensure that it is focused on driving a high performance culture that closely aligns with the achievement of our strategic and business objectives, and with our shareholders' interests including consistent value creation over the longer term.

The Remuneration Committee and the Board considered the results of this review and adopted a number of changes for implementation into the 2025 financial year. These include adjustments to Non-Executive Director fees (including ceasing the practice of offering options to directors), the total fixed remuneration and the "at risk" remuneration for Managing Director and CEO and other Key Management Personnel (**KMP**), as well as refinements to the structure of the STIs and LTIs granted in the 2025 financial year.



Audited Remuneration Report

Key Achievements FY2025

Lotus has made significant progress towards its objectives through the financial year and up to the date of this report including

- No significant safety or environmental incidents and a decrease in Total Reportable Injury Frequency Rate (**TRIFR**) of 1.33 (per 200,000 hours worked) from 2.05 in FY2024. This decrease in TRIFR pleasingly comes despite a heightened risk profile with Kayelekera transitioning from care and maintenance to construction activities.
- Re-assessed the cost and timing associated with specific items required to achieve production at Kayelekera 8-10 months earlier from previously estimated 15 months, and reduced the initial restart capital expenditure to US\$50m from the previously estimated US\$88m by deferring some capital expenditure until after first production.
- Received key approvals and implemented key arrangements, including the Mine Development Agreement with the Government of Malawi, Community Development Agreement with surrounding communities, and received the Radiation and Environmental Impact Assessment Certificate and approval of the Environmental and Social Impact Assessment
- The Project team progressed the Accelerated Restart Plan in line with schedule and within budget.
- The Company completed an equity placement to existing and new investors, raising A\$132m to fund the accelerated restart of Kayelekera.
- Strengthened relationships with utilities and entered four binding offtake agreements, three with Tier One North American Utilities and one with global uranium trader Curzon Uranium.
- At Letlhakane, following successful infill and extensional drilling, the Company updated the Mineral Resource (which included 50% of the Mineral Resources now categorised in the Indicated category), and the Company completed a Scoping Study that confirmed the potential for the project to become a major uranium project.



Audited Remuneration Report

Remuneration Outcomes FY2025

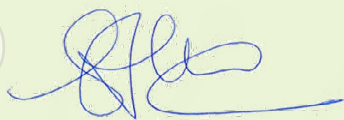
The FY2025 short term incentive (STI) outcomes saw the vesting of 96.25% of the grants with:

- Excellent safety results, with a total reportable injury frequency rate of 1.33 (per 200,000 hours worked) and no significant environmental or community incidents, fatalities or life changing incidents.
- Strong project execution of the accelerated restart of Kayelekera in line with schedule and within budget
- Significant progression with operational readiness, in particular the implementation of operational safety systems and a new enterprise resource planning system (Pronto); and
- Approval of the Environment and Social Impact Assessment for Kayelekera.

The FY2023 long term incentive (LTI) (performance period ended 30 June 2025) outcome resulting in the vesting of 20% of the grants reflecting the significant progress the Group has made with its sustainability reporting, noting the 2023 and 2024 Sustainability Reports and the progress to achieve scores in line with industry average. Despite the Company achieving significant mineral resource growth with the acquisition of A-Cap Energy and the Letlhakane Project in 2023, the Board considered the acquisition didn't meet internal hurdle requirements and exercised its discretion not to award vesting. Disappointingly, the Company finished in the bottom quartile of uranium peer companies across the sector, with Lotus achieving a negative shareholder return over the three-year performance period.

On behalf of the Board, I invite you to review the financial year 2025 Remuneration Report which explains the remuneration arrangements employed by the Group for Directors and KMP and how these arrangements align with the Group's objectives and performance.

We value our shareholders support and welcome your feedback as we strive to enhance the transparency and clarity of our reporting. Thank you for your ongoing support and we look forward to our ongoing engagement with you and sharing in our Company's success.



Simon Hay

Chair – Remuneration and Nomination Committee

23 September 2025



Audited Remuneration Report

Key Achievements FY2025

Lotus has made significant progress towards its objectives through the financial year and up to the date of this report including

1. REMUNERATION REPORT

This Remuneration Report outlines the director and executive remuneration arrangements of the Group in accordance with the requirements of the Corporations Act 2001 (the Act) and its Regulations. This information has been audited by the auditor of the Group as required by Section 308(3C) of the Act.

For the purposes of this report, key management personnel (KMP) of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Group.

2. KEY MANAGEMENT PERSONNEL

The following were KMP of the Group at any time during the financial year and unless otherwise indicated were KMP for the entire financial year:

Table 1: FY2025 Key Management Personnel

Name	Position held
Executives	
Mr Gregory Bittar	Chief Executive Officer (appointed 9 August 2024) Managing Director and CEO (appointed 12 December 2024)
Mr Michael da Costa	Chief Operations Officer
Mr Hayden Bartrop ¹	Company Secretary (Appointed 2 October 2024) Company Secretary and Chief Commercial Officer (appointed 9 October 2024 until 22 January 2025, 28 July 2025 to current) Company Secretary, Chief Commercial Officer, and Chief Financial Officer (23 January 2024 until 27 July 2025) ¹
Mr Michael Ball	Chief Financial Officer (resigned effective 31 March 2025)
Mr Keith Bowes	Managing Director (until 8 August 2024) Technical Director (9 August 2024 until 11 December 2024) Technical Adviser (12 December 2024 until 31 March 2025)
Mr Grant Davey	Non-Executive Director (until 8 August 2024) Executive Director (9 August 2024 until 31 March 2025)
Non-Executive Directors	
Mr Michael Bowen	Non-Executive Chairman
Ms Leanne Heywood	Non-Executive Director (appointed 3 February 2025)
Mr Simon Hay	Non-Executive Director (appointed 3 February 2025)
Mr Mark Hanlon	Non-Executive Director (retired 30 April 2025)
Ms Dixie Marshall	Non-Executive Director (retired 4 June 2025)

¹ Ms Melissa Roberts commenced as Chief Financial Officer on 28 July 2025 and Mr Bartrop returned to his role as Chief Commercial Officer and Company Secretary.

Audited Remuneration Report

As the Company transitioned to the execution phase of the restart of the Kayelekera Uranium Project, a significant Board and management restructure was undertaken to ensure the Company had the necessary skills to oversee the change in complexity and size of the business, and the necessary construction and operational skills to drive the success of the Company.

On 9 August 2024, Mr Gregory Bittar was appointed Chief Executive Officer, Mr Keith Bowes assumed the role of Technical Director from Managing Director and Mr Grant Davey was appointed Executive Director.

In October 2024, the Board noted it would ensure its composition retains and attracts the right mix of skills, diversity and independence appropriate to Lotus' market standing and that it would adopt a more traditional Board composition, comprising a Managing Director and Non-executive Directors, with the intention that the changes would be announced by the end of fiscal year 2025. As part of that transition, the following occurred:

- On 12 December 2024, Mr Gregory Bittar was appointed Managing Director acknowledging the significant progress Lotus made in becoming the next global uranium producer and Mr Bowes resigned as Technical Director for personal reasons;
- On 23 January 2025, Lotus announced the appointment of Non-executive Directors Ms Leanne Heywood and Mr Simon Hay, with both commencing on 3 February 2025.
- On 3 March 2025, Lotus announced that founding Board member Mr Grant Davey would step down from the Board effective 1 April 2025, long-standing director Mr Mark Hanlon would retire effective 30 April 2025, Ms Heywood would assume the Chair of the Audit and Risk Committee, Mr Hay would assume the Chair of the Remuneration and Nomination Committee, and Ms Marshall would retire from the Board and Chair of ESG Committee following approval of the Lotus' Environmental Impact and Social Assessment (**ESIA**) for Kayelekera, with Mr Hay to assume the Chair of the ESG Committee; and
- On 5 June 2025, Lotus announced that Ms Marshall resigned from the Board effective 4 June 2025 following approval of Kayelekera's ESIA, with Mr Hay assuming the role of Chair of the ESG Committee.

The Company will continue to assess the size, composition, independence and diversity of the Board and the mix of competencies but currently has no intention to make further changes.

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Audited Remuneration Report

3. REMUNERATION GOVERNANCE

This Remuneration Report outlines the director and executive remuneration arrangements of the Group in accordance with the requirements of the Corporations Act 2001 (the Act) and its Regulations. This information has been audited by the auditor of the Group as required by Section 308(3C) of the Act.

For the purposes of this report, key management personnel (KMP) of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Group.

3.1 Roles and Responsibilities

The roles and responsibilities of the Board, Nomination and Remuneration Committee and external advisors in relation to remuneration for KMP and employees at Lotus are outlined below.

A. Board of Directors

The Board of Directors of the Company are responsible for determining and reviewing remuneration policies for the directors and executives and ensuring alignment with the Company's purpose, values, strategic objectives and risk appetite. The Board has established a Nomination and Remuneration Committee (the **Committee**) which operates as a subcommittee of the Board. The Board reviews, and as appropriate approves, recommendations from the Committee.

B. Nomination and Remuneration Committee

The Committee's primary function is to assist the Board in fulfilling its responsibility to shareholders, in accordance with the Committee Charter, by reviewing and recommending a remuneration policy for the directors and KMP. The Committee also reviews and recommends to the Board the proposed remuneration arrangements (including incentive awards, equity awards and service contracts) for each KMP.

The Committee regularly assesses remuneration in light of remuneration trends, market conditions and peer companies. During the financial year, the members of the Nomination and Remuneration Committee were Non-Executive Directors Mark Hanlon (Chair until 30 April 2025), Dixie Marshall (until 4 June 2025), Michael Bowen, Simon Hay (Chair from 1 May 2025) and Leanne Heywood (from 5 June 2025).

Further information on the Committee's role, responsibilities and membership in relation to remuneration and composition is set out in Company's Corporate Governance Statement.

C. Managing Director and CEO

The Managing Director and CEO makes recommendations to the Committee regarding remuneration for Executives such as incentive targets and outcomes, short term incentive and long-term incentive participation and individual remuneration and contractual arrangements for non KMP.

D. External Advisors

The Committee also seeks independent advice as required on the appropriateness of remuneration arrangements given trends in comparable companies and in accordance with the objectives of the Company from time to time.



Audited Remuneration Report

3.2 Engagement of Remuneration Consultants

The Committee seeks advice from independent remuneration consultants from time to time as required to assist in discharging its duties, including periodically testing the market competitiveness of the remuneration policy and framework by benchmarking against comparable companies.

The Reward Practice, an independent specialist remuneration consultancy, was engaged in July 2024 by the Committee to undertake a remuneration benchmarking review for KMP and a review of incentive structures to ensure they are effective in achieving the Committee's objectives, including attracting and retaining a high calibre team and in driving a high-performance culture. The Reward Practice was paid \$32,000 for these services. The Reward Practice provided no other services to the Group.

The Remuneration Committee and Board considered the results of this review and incorporated elements into the 2025 financial year for Non-Executive Director fees, the total fixed remuneration and "at risk" remuneration for the Managing Director and CEO and KMP, and the structure of the STIs and LTIs granted in FY2025.

The Committee has in place procedures to ensure that all engagements with independent external remuneration consultants and recommendations (if any) are free from undue influence. The following arrangements were made to ensure that the remuneration consultants' recommendations were free from undue influence:

- Being engaged directly by the Chair of the Committee;
- The report containing the remuneration recommendations was provided by The Reward Practice directly to the Chair of the Committee; and
- Where The Reward Practice was required to interact with management to obtain the relevant information needed to form the remuneration recommendations, a Non-Executive Director, usually the Chair of the Committee, provided oversight of interactions between the independent consultants and management.

As a consequence, the Board is satisfied that the recommendations were made from undue influence from any members of the KMP to whom the recommendation relates.

3.3 Voting of Shareholders at last year's Annual General Meeting

The Remuneration Report for the financial year ended 30 June 2024 received positive shareholder support at the 2024 Annual General Meeting (**AGM**) with a vote of 88.17% in favour. The Company received no specific feedback on its Remuneration Report at the 2024 AGM.

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Audited Remuneration Report

3.4 Director Security Issues

Under ASX Listing Rules 10.14, the Company is required to seek shareholder approval for an issue of an equity securities under an employee incentive scheme.

The Company issued the below incentive options during FY2025 to Directors, which remain subject to shareholder approval at the 2025 AGM. For further details, please refer to section 5.4 (D) and (I) of the Remuneration Report.

Table 2: FY2025 Director Security Issues

Name	Number	Incentive Scheme	Details
Mr Gregory Bittar ¹	934,192	FY2025 STI	Nil exercise price, expiry 30 June 2027
	1,617,648	FY2025-27 LTI	Nil exercise price, expiry 30 June 2029
Mr Keith Bowes	454,357	FY2025 STI	Nil exercise price, expiry 30 June 2027
	298,971	FY2025-27 LTI	Nil exercise price, expiry 30 June 2029

¹ Mr Bittar was issued 6,000,000 options on appointment as CEO on 9 August 2024 (before he was appointed Managing Director on 12 December 2024). For further details, please refer to section 5.4 (J) of the Remuneration Report.

There were no other new securities issued to Directors during FY2025 which required shareholder approval under ASX Listing Rule 10.14.

Audited Remuneration Report

4. COMPANY PERFORMANCE

4.1 FY2025 Company Performance

Lotus has made significant progress towards its objectives through the financial year, including:

- No significant safety or environmental incidents and a decrease in Total Reportable Injury Frequency Rate (**TRIFR**) of 1.33 (per 200,000 hours worked) from 2.05 in FY2024. This decrease in TRIFR pleasingly comes despite a heightened risk profile with Kayelekera transitioning from care and maintenance to construction activities.
- Re-assessed the cost and timing associated with specific items required to achieve production at Kayelekera 8-10 months earlier from previously estimated 15 months, and reduced the initial restart capital expenditure to US\$50m from the previously estimated US\$88m by deferring some capital expenditure until after first production.
- Received key approvals and implemented key arrangements, including the Mine Development Agreement with the Government of Malawi, Community Development Agreement with surrounding communities, and received the Radiation and Environmental Impact Assessment Certificate and approval of the Environmental and Social Impact Assessment.
- The Project team progressed the Accelerated Restart Plan in line with schedule and within budget.
- The Company completed an equity placement to existing and new investors, raising A\$132m to fund the accelerated restart of Kayelekera.
- Strengthened relationships with utilities and entered four binding offtake agreements, three with Tier One North American Utilities and one with global uranium trader Curzon Uranium.
- At Letlhakane, following successful infill and extensional drilling, the Company updated the Mineral Resource (which included 50% of the Mineral Resources now categorised in the Indicated category)¹, and the Company completed a Scoping Study that confirmed the potential for the project to become a major uranium project.

The Company had a loss for FY2025 of \$13,760,170, primarily associated with significant expenditure at Kayelekera prior to the Company's decision to proceed with the Accelerated Restart Plan. The Company had a total shareholder return of negative 43% (see Table 3), which followed a decrease in the uranium spot price from US\$85/lb on 30 June 2024 to US\$78.50/lb at 30 June 2025.

¹ See Table 1 – Lotus Mineral Resource Inventory – June 2025



Audited Remuneration Report

4.2 Five Year Company Performance

A summary of the Company's performance for the current previous four financial years is provided below:

Table 3: Five Year Company Performance

	2025	2024	2023	2022	2021
Loss for the year	(13,760,170)	(24,507,450)	(9,916,736)	(11,996,177)	(5,897,844)
Loss per share (cents)	0.64 cents	1.54 cents	0.76 cents	1.03 cents	0.72 cents
Share price at year end	19.5	34.0	18.5	21.5	19.0
Total Shareholder Return (% p.a.)	(43%)	84%	(14%)	13%	171%
JORC 2012 Mineral Resource (contained uranium Mlbs)	164.8	169.3	51.1	51.1	37.5
JORC 2012 Ore Reserve (contained uranium Mlbs)	23.0	23.0	23.0	-	-

5. PRINCIPLES OF REMUNERATION

5.1 Overview

The remuneration structures explained below are competitively set to attract and retain highly skilled Executives and staff, and to drive a high-performance culture. The structures are designed to reward the achievement of strategic objectives and achieve the broader objective of sustainable creation of long-term value for shareholders.

Given the stage of the Group's development, being pre-production, the overall level of compensation does not have regard to the earnings of the Group.



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5.2 Executive Service Agreements

The Company has entered into executive service agreements with its executives. The employment agreements outline the components of remuneration paid to the executives and are reviewed on an annual basis. All employment agreements with Executives are for an unlimited duration. All Executives are entitled to any accrued but untaken annual and long-service leave on cessation of employment.

Table 4: Termination Provisions of Executives

Name	Resignation notice	Termination notice for cause ¹	Termination Notice without cause	Diminution of responsibility (severance pay)
Gregory Bittar	6 months	No notice period	6 months	12 months
Michael da Costa	3 months	No notice period	3 months	6 months
Hayden Bartrop	3 months	No notice period	3 months	6 months
Michael Ball	3 months	No notice period	3 months	12 months
Keith Bowes	3 months	No notice period	3 months	3 months

¹ No notice is required if the Executive willfully breaches a material term of their employment; is responsible for gross or wilful serious misconduct, dishonesty, insubordination or gross neglect; becomes bankrupt; is convicted of any criminal offence involving dishonesty or fraud; is guilty of any conduct which in the reasonable opinion of the Company would injure the reputation or the business of the Company, or a court has made an order prohibiting the Executive from being a director or involved in the management of the Company.

The Company did not make any termination payments to Executives during FY2025. All contractual termination benefits comply with the provisions of the *Corporations Act 2001*.

5.3 Total Fixed Remuneration

Total Fixed Remuneration (TFR) consists of base compensation (which is calculated on a total cost basis and excludes any fringe benefits charges related to employee benefits) as well as employer contributions to superannuation funds.

TFR is set to provide a market competitive base salary and is reviewed annually (or as required) through a process that considers individual and overall performance of the Group, with reference to benchmarking information from ASX listed resources companies. Other factors taken into consideration include market conditions, competition for talent, individual's relevant skills and experience, and role scope and complexity of the role.

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Audited Remuneration Report

5.3 Total Fixed Remuneration (continued)

A. Executive Total Fixed Remuneration

Executive Total Fixed Remuneration is set out below. There are no changes to TFR anticipated for FY2026.

Table 5: FY2025 Executive Total Fixed Remuneration and Incentives

Name	TFR as at 30 June 2025	TFR as at 30 June 2024	STI (% of TFR) for FY2025	LTI (% of TFR) for FY2025	Total at risk (% of TFR) for FY2025
Gregory Bittar	\$550,000 ¹	\$150,000 ²	60% ¹	100% ¹	160% ¹
Michael da Costa	\$450,000	\$450,000	40%	75%	115%
Hayden Bartrop	\$450,000 ³	N/A ³	40% ⁴	75% ⁴	115% ⁴
Michael Ball	N/A ⁵	\$275,000	40% ⁶	Nil ⁶	40% ⁶
Keith Bowes	N/A ⁵	\$400,000	54% ⁶	102% ⁶	156% ⁶
Grant Davey	N/A ⁷	\$150,000 ⁷	Nil ⁷	Nil ⁷	Nil ⁷

1 Mr Gregory Bittar was promoted to Chief Executive Officer on 9 August 2024, with a TFR of \$450,000. He was appointed Managing Director and CEO on 12 December 2024 with a TFR of \$550,000. Mr Bittar's STI and LTI for FY2025 was calculated on a TFR of \$550,000.

2 Mr Gregory Bittar was initially employed as Corporate Advisor to the Company, working 3 days per week.

3 Mr Hayden Bartrop was appointed Company Secretary on 2 October 2024, and Chief Commercial Officer on 9 October 2024, with a TFR of \$350,000. Mr Bartrop received a remuneration increase to \$400,000 effective 1 January 2025 following assumption of additional responsibilities in relation to the Chief Financial Officer role. Mr Bartrop received a remuneration increase to \$450,000 on 1 March 2025.

4 Mr Bartrop's FY2025 STI and LTI were calculated on a TFR of \$400,000, which was the TFR at the time of issue.

5 Mr Ball and Mr Bowes resigned effective 31 March 2025.

6 Mr Ball's STI was pro-rated to 50% of his full year entitlement based on service to the date of his resignation and was not granted any LTI's for FY2025. Mr Bowes' STI was pro-rated to 75% and LTI to 25% of his full year entitlement based on service to the end of his resignation period.

7 Mr Davey was a non-executive director as at 30 June 2024. He received \$50,000 director fees and \$100,000 in connection with government liaison and in country services. On 9 August 2025, he was appointed Executive Director. On 12 December 2024, his TFR was increased to \$250,000 (including director fees). Mr Davey was not eligible for STIs or LTIs as part of his remuneration arrangements.

The Executives are also provided a car park and mobile phone. Executives do not receive any retirements benefits, except superannuation which is included in the TFR.

Audited Remuneration Report

5.3 Total Fixed Remuneration (continued)

B. Non-Executive Director Remuneration – FY2025

The Constitution and the ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting. Total remuneration for all non-executive directors is \$800,000 per year, which was approved at the 2023 AGM.

Non-executive directors do not receive any retirement benefits, other than statutory superannuation which is included in the Base Fees set out below. Non-Executive Directors have no entitlement to termination payments in the event of removal for misconduct or gross negligence.

Non-executive director fees are reviewed annually by the Board taking into account comparable roles and market data. The Board recognises the importance of retaining key personnel and providing appropriate remuneration to deliver the Company's objectives. In the interests of conserving cash, options were viewed as a cost-effective and efficient mechanism to align the interests of Directors with shareholders in FY2024, and directors at the time were granted service options with a duration of 18 months (vesting on 31 March 2025). No options were issued in FY2025, and the Board has resolved not to issue further equity to Directors. In light of this, the base fees for new Directors were increased, but not for existing directors who continued to benefit from service options vesting in FY2025.

Fees for the financial year are as follows:

Table 6: FY2025 Non-Executive Director Fees

Name	Base Fees (Annual)	Service Options Vested in FY2025	Special Exertion	Term of Agreement	Notice Period
Mr Michael Bowen	\$75,000	3,000,000 ¹	\$52,500 ²	No fixed term	Statutory
Mr Mark Hanlon	\$50,000	2,000,000 ¹	-	No fixed term	Statutory
Ms Dixie Marshall	\$50,000	2,000,000 ¹	-	No fixed term	Statutory
Ms Leanne Heywood	\$125,000 ³	-	-	No fixed term	Statutory
Mr Simon Hay	\$125,000 ³	-	-	No fixed term	Statutory

¹ Options issued entitled the holder the right to acquire one ordinary share with a nil exercise price after vesting. The Options were granted on 28 November 2023 following shareholder approval, vested on 31 March 2025 and expire on 30 September 2026. The options had a service condition but did not have performance-based vesting conditions to ensure director independence was maintained. The Options had a fair value at grant of \$0.280 per Option.

² The Board approved a special exertion fee for Mr Michael Bowen associated with in excess of 21 days of international travel marketing the Company, including attendance at the World Nuclear Symposium in London in September 2024, an investor roadshow leading up to the \$130 million placement in Toronto, New York and London in October 2024, a subsequent investor roadshow in February 2025 in Toronto, New York and London and the World Nuclear Fuel Market conference in Sydney. The special exertion fee was calculated based on \$2,500 per day for 21 days.

³ Ms Leanne Heywood and Mr Simon Hay commenced on 3 February 2025.

Audited Remuneration Report

5.3 Total Fixed Remuneration (continued)

For FY2026, the Board has approved an increase to the Non-Executive Director Fees as follows:

Table 7: FY2026 Non-Executive Director Fees

Fees per annum	Chair	Member
Board	\$195,000	\$150,000
Committee	-	-

The increase in the fees per annum is in recognition of:

- the reduced size of the Board (from 5 at the commencement of FY2025 to 4 at the end of FY2025), and the increased workload of the non-executive directors. The Board has no current intention of adding a further non-executive director;
- the commencement of production at Kayelekera and the increased demands on directors as the Group's activities have become more complex;
- fee arrangements are entirely cash based to align with recommended best practice. Equity will no longer be issued to new directors;
- Directors' fees cover all main board activities and membership of committees. No additional fees apply for committee duties;
- the fees cover travel time for international travel to the Company's sites, investor meetings, or uranium conferences. Special exertion fees will no longer be paid for these activities yet the activities remain and are expected to increase in volume.

5.4 Incentive Arrangements

A. Overview

Annual equity incentives are set at a maximum of 160% of TFR for the Managing Director and CEO and 115% for other KMP in FY2025, except Mr Bowes who was set at 156%. The Company formerly considered cash bonuses on ad hoc basis. Following changes to the Total Fixed Remuneration and target remuneration mix, cash bonuses will only be considered on a rare and exceptional basis. The target remuneration mix for FY2025 is shown in Table 5 above.

The Group utilises both short-term and long-term incentive programs to balance the short and long-term aspects of business performance, to reflect market practice, to attract and retain key talent and to ensure a strong alignment between the incentive arrangements of executives and the creation and delivery of shareholder return. Both short term incentives and long-term incentives were issued under the Option Plan in the 2025 financial year.

Short Term Incentives are assessed over a 12-month period and are awarded as zero exercise price options with an expiry of 2 years after vesting and linked 100% to Company objectives. Long term incentives are assessed over a 36-month period and are designed to promote long-term alignment with shareholder returns.

Audited Remuneration Report

5.4 Incentive Arrangements (continued)

B. Option Plan

The Group adopted an Option Plan (the **Option Plan**) which was approved by the shareholders at the 2022 Annual General Meeting. The Group considers performance-based remuneration to be a critical component of the overall remuneration framework, by providing remuneration structure that rewards employees for achieving goals that are aligned to the Group's strategy and objectives and seek to generate long term shareholder value. The table below sets out the key terms of the Option Plan and options issued under the Option Plan.

Table 8: Summary of Option Plan

Plan Term	Description of Term
Termination of Employment	Where a Participant who holds Options becomes a Leaver, all unvested Options will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Options to vest. The Company's current policy is that an employee will be deemed a "good leaver" unless they resign, are terminated for cause or are subject to a genuine performance management plan or review at the time of termination (unless otherwise determined by the Board). "Good leavers" are entitled to a pro rata portion of the unvested incentives (based on the proportion of performance period that has lapsed until the date of cessation).
Change of Control	If a Change of Control Event occurs, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Options will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the Change of Control Event. For the FY2025 Options, the Board's policy is that unless approved by the Board, the default position will be that a pro-rata number of the Participant's unvested incentives will vest based on the proportion of the performance period that has passed at the time of the Change of Control. To the extent any applicable Conditions (other than service-related conditions): • have been satisfied; • are on track to be satisfied; or • for peer comparisons are calculated to have been satisfied, at a date selected by the Board which is reasonable and practical before the Change of Control, the Board may consider a higher percentage of vesting.¹

¹ Certain grants of incentives were issued with different change of control conditions, including the onboarding and commencement options for Mr Bittar, Mr Da Costa and Mr Bartrop.



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5.4 Incentive Arrangements (continued)

Table 8: Summary of Option Plan (continued)

Plan Term	Description of Term
Board Discretion	All incentive offers and final outcomes are subject to the discretion of the Board (or Nomination and Remuneration Committee as its delegate).
Forfeiture and Clawback	Under the terms and conditions of the Option Plan rules, the Board (or Nomination and Remuneration Committee as its delegate) has discretion to determine forfeiture of unvested equity awards in certain circumstances (e.g. unlawful, fraudulent or dishonest behaviour or a serious breach of obligations to the Company). In the FY2025 incentives, the Board included claw back provisions in the invitation documentation. If the Board becomes aware that the Options should not have vested (Affected Options), the Board may require a participant to pay to the Company the after tax value of the Affected Options which have been converted into Shares, cancel the Affected Options or adjust a participant's fixed remuneration, incentives or participation in the Plan in the current year or in any future year to take account of the after tax value of the Affected Options.

C. Short-term incentives Overview

The Managing Director, other KMP and other employees have the opportunity to earn an annual Short-Term Incentive (STI) if predefined targets are achieved.

Table 9: Summary of STI Scheme

STI Term	Description of Term
Who participates in the STI Plan?	All Executives, Senior Managers and Managers and are eligible for the STI. The Board may invite other employees, from time to time, at its discretion.
What is the objective of the STI Plan?	- To attract, reward and retain high calibre employees. - To incentivise employees towards meeting the Company's short term objectives.
How is the award delivered?	Zero exercise prices options issued under the Lotus Option Plan are the vehicle used for the FY2025 STI for Executives, Senior Management and Corporate staff. The nominal value of an option is the closing share price of the Company immediately prior to the performance period (the Company will use a 10-day volume weighted average share price for FY2026 awards and future awards). Employees in Malawi and Botswana can be rewarded under the short-term incentive by cash payment instead of options.



Audited Remuneration Report

5.4 Incentive Arrangements (continued)

Table 9: Summary of STI Scheme (continued)

STI Term	Description of Term
How much can Executives earn?	The STI opportunity is measured as a percentage of TFR. Refer to Table 5 setting out the FY2025 STI opportunity and outcomes for individual KMP opportunities.
What is the performance period?	The relevant period for the FY2025 STI was 1 July 2024 to 30 June 2025.
How was performance measured?	Performance is measured against pre-determined measurable financial and non-financial performance targets as set out in the scorecard below.
When are the outcomes determined?	The outcomes for the FY2025 STI were determined at the end of the performance period following a review by the Committee and Board of performance against the STI performance targets. The Board determined the final STI bonus based on this assessment of performance.
What happens if Executive leaves?	For retention purposes, the Executive must remain an employee, office bearer or consultant of the Company at the date the outcomes are determined. However, if an Executive's employment or consultancy with the Company is terminated prior to this time, the Board retains the discretion to award or forfeit any STI on a case-by-case basis, taking into account longevity and the reasons for leaving. Refer to Option Plan above regarding the Board's policy on "good leavers".

D. FY2025 Short Term Incentive Targets and Performance Outcomes

The STI awards for the executive team in the 2025 financial year were based on the scorecard measures and weighting as disclosed below. Targets were approved by the Committee through a rigorous process to align the Company's strategic and business objectives. The Committee has discretion to adjust short term incentives downwards in light of unexpected or unintended circumstances.

The pre-determined performance conditions relating to the financial year 2025 STI opportunity for eligible KMP and the outcomes as assessed by the Committee are set out in the table below.

Audited Remuneration Report

5.4 Incentive Arrangements (continued)

Table 10: Summary of FY2025 Incentive Targets and Performance Outcomes

Area	Weighting	Target	Reason Metric Selected	Outcome
Safety and Environment	25%	- Total Recordable Injury Frequency Rate (TRIFR) improvement below 4.0 (per 200,000 hours worked). - Zero fatalities, life changing injury or reportable environmental incidents.	To demonstrate its commitment to safety and environmental responsibility by aiming to reduce injury rates and prevent serious incidents, aligning with good industry practice and stakeholder expectations	100% (25% weighted) Total recordable injuries for the year: 1.33 (per 200,000 hours worked) or 6.63 (per million hours worked). There were no reportable environmental incidents, and no life changing injuries or fatalities.
Operational Readiness and ESG	25%	Equal weighting given to each Target (i.e. 8.33% for each target): - ERP - Pronto ERP implemented and operational (except Plant Maintenance) for July 2025. - Safety System implemented and operational by 30 June 2025. - ESIA submission within the Board approved budget and time.	As part of the operational readiness to ensure Kayelekera is able to operate safely, efficiently and effectively, and to provide the necessary tracking and reporting systems in accordance with good industry practice and stakeholder expectations.	95% (23.75% weighted) - Pronto implemented and operational for July 2025 (100%). - Safety Management Plan substantially implemented, with all critical systems implanted (85%) - ESIA approved prior to production requirement and within budget (100%).
Kayelekera Restart	25%	The Kayelekera Restart has progressed such that the ore has been crushed and milled by 30 June 2025.	To ensure discipline and focus on the restart of Kayelekera and production by Q3 CY2025. Ensuring the progress remains on time is also a critical cost control of the project.	90% (weighted 22.5%) Mineralised waste crushed and milled on 10 July 2025.
Kayelekera Restart Capital Costs	25%	The Kayelekera Restart Capital within Board Approved Budget plus Board Approved Budget Variations (including contingency). Performance is assessed on a total basis incorporating forecast cost to complete where sub-projects have not been complete by 30 June 2025.	To ensure discipline and cost control associated with the significant expenditure associated with the restart of Kayelekera, the Company's key asset.	100% (weighted 25%) Capital expenditure within the Board Approved budget and tracking below Board Approved budget for the remainder of project.
Total	100%		Total Vesting Outcome	96.25%



Audited Remuneration Report

5.4 Incentive Arrangements (continued)

Table 11: Short Term Incentive Opportunity and Outcomes by KMP

KMP	Maximum STI Opportunity (as % of TFR as at 30 June 2025)	Proportion Achieved (% out of 100)	Proportion Forfeited (% out of 100)	Options Vested (#) ¹	Value of Options (included in Rem Report) (\$)
Gregory Bittar	60%	96.25%	3.75%	– ⁵	– ⁵
Michael da Costa	40%	96.25%	3.75%	529,412	\$127,390
Hayden Bartrop	36% ²	96.25%	3.75%	470,589	\$113,235
Michael Ball	20% ³	96.25%	3.75%	191,177	\$46,002
Keith Bowes	40.5% ⁴	96.25%	3.75%	– ⁵	– ⁵

1 The nominal value of options to calculate the number granted to each individual was \$0.34, being the closing price of Lotus shares on 28 June 2024. The number of options vested is an individual's TFR x Maximum STI (% of TFR) x Proportion Achieved / \$0.34.

2 Mr Bartrop's Maximum STI Opportunity was 40%. However, his Maximum STI Opportunity was calculated on \$400,000. Mr Bartrop received a remuneration increase to \$450,000 on 1 March 2025.

3 Mr Ball's Maximum STI Opportunity was 40%. His Maximum STI Opportunity was pro-rated to 50% of his full year entitlement based on service to the date of his resignation in early January 2025.

4 Mr Bowes' Maximum STI Opportunity was 54% of his TFR. His Maximum STI Opportunity was pro-rated to 75% of his full year entitlement based on service to end of his resignation period on 31 March 2025.

5 The grant of options to Mr Bittar and Mr Bowes is subject to shareholder approval at the 2025 AGM.

E. Mine Development Agreement Cash Bonus

In FY2025, the Mine Development Agreement cash bonus was awarded following execution of the Mine Development Agreement for Kayelekera being signed with the Republic of Malawi on 31 July 2024, a major milestone for the restart of the Kayelekera Uranium Project. Mr. Keith Bowes received \$30,000 and Mr. Michael Ball received \$20,000.

F. Restart and Production Cash Bonus

The Company established a Restart and Production Bonus for key personnel engaged in the accelerated restart of Kayelekera and its ramp-up to nameplate capacity of 2.4 million per pounds per annum. The bonus is in addition to STIs and LTIs. Mr. Mike Da Costa is the only KMP eligible for this cash bonus, and is entitled to a maximum cash bonus of \$550,000.

The Restart and Production Bonus consists of two elements:

Table 12: Restart and Production Bonus

Objective	Weighting	Details
Retention	Gateway	Eligible participants have not resigned or signalled an intention to resign in the ramp-up of operations as at 31 December 2025.
First Production and Capital Cost	50%	First production by Board approved date and achieved within Board approved capex budget
Nameplate Capacity	50%	Nameplate capacity achieved within Board approved date and within Board approved capex budget.

Payment of any Restart and Production Bonus will be assessed in Q3 FY2026.

Audited Remuneration Report

5.4 Incentive Arrangements (continued)

G. Long-Term Incentives Overview

The LTI is designed to focus executives on delivering long-term sustainable shareholder returns. The key elements of the plan are summarised below. As the LTI is issued under the Lotus Option Plan the key terms for the Plan are also relevant.

Table 13: Summary of LTI Scheme

LTI Term	Description of Term
Who participates in the LTI Plan?	Executives and nominated Senior Management are eligible to participate being the employees who are most able to influence shareholder value. The Board may invite other employees, from time to time, at its discretion.
What is the objective of the LTI Plan?	- To align Executive and shareholder interests through share ownership, focussing on Group results through awards of long term, at risk, deferred equity. - To reward Executives for the achievement of strategic objectives that position the Company for future long term sustainable success. - To attract, reward and retain high calibre Executives and drive a high-performance driven culture.
How is the award delivered?	Zero exercise prices options issued under the Lotus Option Plan are the vehicle used under the LTI Plan. The nominal value of an option is the closing share price of the Company immediately prior to the performance period (the Company will use a 10-day volume weighted average share price for FY2026 awards and future awards).
How often are awards made?	LTI awards are granted on an annual basis to eligible participants.
How much can Executives earn?	Under the FY2025 LTI the LTI opportunity is measured as a percentage of TFR. For the FY2025 LTI, the Managing Director had an LTI opportunity of 100% of TFR for the FY2025, Keith Bowes had 102% and the Chief Financial Officer and Chief Operating Officer had an LTI opportunity of 75% of TFR.
What is the performance period?	The performance period is a three-year period from 1 July to 30 June. The FY2023 LTI performance period was from 1 July 2022 to 30 June 2025. The FY2025 LTI performance period is from 1 July 2024 to 30 June 2027.
How is performance measured?	Performance is measured against pre-determined measurable performance targets including a Total Shareholder Return target and milestone-based targets as set out in the scorecard below.
When are the outcomes determined?	The outcomes for the FY2023 LTI were determined at the end of the performance period following a review by the Committee and the Board of performance against the LTI performance targets. The Board determined the final LTI bonus based on this assessment of performance. The outcomes for the FY2025 LTI will be assessed at the end of the performance period (i.e. after 30 June 2027).
What happens if Executive leaves?	For retention purposes, the Executive must remain an employee, office bearer or consultant of the company at the date the outcomes are determined. However, if an Executive's employment or consultancy with the Company is terminated prior to this time, the Board retains the discretion to award or forfeit any LTI on a case-by-case basis, taking into account longevity and the reasons for leaving. Refer to Option Plan above regarding the Board's policy on "good leavers".



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5.4 Incentive Arrangements (continued)

H. FY2023 Long Term Incentive Targets and Performance Outcomes

The pre-determined performance conditions relating to the financial year 2023 LTI opportunity for eligible KMP and the outcomes as assessed by the Committee are set out in the table below. The performance period ran from 1 July 2022 to 30 June 2025.

Table 14: Summary of FY2023 Incentive Targets and Performance Outcome

KPI	Weighting	Target	Reason Metric Selected	Outcome
Shareholder Return	50%	Relative Total Shareholder Return (TSR) Share price growth over the period compared with peer group: < 50th percentile = 0% vest 50th - 75th percentile = 50%-100% pro-rata vesting > 75th percentile = 100% vest	A relative performance measure has been chosen instead of absolute metric to exclude commodity price, which is a substantial driver of shareholder returns.	0% Achieved The Company ranked 9th out of 12 (bottom half), with a total shareholder return of negative 7% (which compared to an average return of 45% and median of 43%).
Company Strategy	30%	Mineral Resources Growth Increase the JORC compliant Mineral Resource Estimate: - by >15% from that reported on 9 June 2022 from exploration; 0% - 10% exploration growth = nil 10% - 15% exploration growth = 50%-100% pro rate vesting >15% growth = 100% vest; or 50% from external growth (i.e. M&A) 0% - 25% exploration growth = nil 25% - 50% exploration growth = 50%-100% pro rate vesting >50% growth = 100% vest	The metric was chosen to drive improved scale and return at Kayelekera and to drive accretive growth of the growth of the Company.	0% Achieved The Company's MRE increased by 223% due to the acquisition of Letlhakane. However, the Board has exercised its discretion not to award vesting due to share price performance of the Company and the Board's perception that the market hasn't valued this deal as accretive.
	20%	ESG Effective reporting against the adopted ESG framework and a targeted ranking in line with the industry average.	The metric was chosen to increase focus on ESG and ESG reporting, to align with good industry practice and stakeholder expectations.	100% Achieved (20% weighting) The Company's 2023 and 2024 Sustainability Reports were prepared with reference to the 2021 Global Reporting Initiative Sustainability Reporting Standard (GRI Standards), incorporating relevant information and data that meets the framework's requirements. S&P Global ESG score was 39 for the 2024, which was inline with or slightly above the industry mean.
Total	100%	Total Vesting Outcome		20%

Audited Remuneration Report

5.4 Incentive Arrangements (continued)

The Peer Group used for the financial year 2023 Relative TSR measure is set out in the table below. In selecting the Peer Group, the Committee considered an investor perspective for a uranium focused company seeking to transition to production.

Table 15: FY2023 LTI Peer Group

Company	Exchange: Code	Company	Exchange: Code
1. Paladin Energy Limited	ASX:PDN	7. Berkeley Energia	ASX:BKY
2. Boss Energy Limited	ASX:BOE	8. Govi-Ex Uranium Inc.	TSX:GXU
3. Peninsula Energy Limited	ASX:PEN	9. Energy Fuels Inc.	TSX:EFR
4. Deep Yellow Limited	ASX:BMN	10. UR Energy Inc.	TSX:URE
5. Bannerman Limited	ASX:DYL	11. Uranium Energy Corp.	NYSE:UEC
6. Alligator Energy Limited	ASX:AGE		

Note that some companies in the above peer group listing have multiple listings and details of only one listing is provided.

Table 16: FY2023 Long Term Incentive Opportunity and Outcomes by KMP

KMP	Maximum LTI Opportunity (as % of TFR as at 30 June 2023)	Proportion Achieved (% out of 100)	Proportion Forfeited (% out of 100)	Options Vested (#) ¹	Value of Options (included in Rem Report) (\$)
Keith Bowes	95% ²	20%	80%	1,620,1563	\$166,147
Michael Ball	60% ⁴	20%	80%	639,5355	\$75,305

1 The nominal value of options to calculate the number granted to each individual was \$0.215, being the closing price of Lotus shares on 30 June 2022. The number of options vested is an individual's TFR x Maximum LTI Opportunity (% of TFR) x Proportion Achieved / \$0.215.

2 Mr Bowes' TFR as at 30 June 2023 was \$400,000.

3 Mr Bowes' number of options vested was pro-rated to 91.7% of his full year entitlement based on service to the date of his resignation in early January 2025 (33 months out of the 36 month performance period).

4 Mr Ball's TFR as at 30 June 2023 was \$275,000.

5 Mr Ball's number of options vested was pro-rated to 83.3% of his full year entitlement based on service to the date of his resignation in early January 2025 (30 months out of the 36 month performance period).



Audited Remuneration Report

5.4 Incentive Arrangements (continued)

I. FY2025 Long Term Incentive Targets and Grants

The Company has changed the performance hurdles for its long term incentive scheme for the period 1 July 2024 to 30 June 2027 to align outcomes more closely with those of shareholders, with the introduction of a 50% weighting for an Absolute Return Shareholder Return metric. This balances the Relative Total Shareholder Return metric which effectively eliminates matters outside of the control of participants, being the performance of equity markets and commodities.

Table 17: Summary of FY2025 LTI Scheme

KPI	Weighting	Target
Relative Total Shareholder Return	50%	Total shareholder return over the period compared with the peer group: < 50th percentile = 0% vest 50th - 75th percentile = 50%-100% pro-rata vesting >75th percentile = 100% vest
Absolute Total Shareholder Return	50%	Total shareholder return over the vesting period from 1 July 2024 to 30 June 2027: - Below 10% per annum = nil >10% - 20% per annum = 50%-100% pro rate vesting >20% per annum = 100% vest
Total	100%	

The Peer Group used for the financial year 2025 Relative TSR measure is set out in the table below. In selecting the Peer Group, the Committee considered an investor perspective for a uranium focused company seeking to transition to production.

Table 18: FY2025 LTI Peer Group

Company	Exchange: Code	Company	Exchange: Code
1. Paladin Energy Limited	ASX:PDN	8. Aura Energy Ltd	ASX:AEE
2. Boss Energy Limited	ASX:BOE	9. NextGen	ASX:NKG
3. Peninsula Energy Limited	ASX:PEN	10. Energy Fuels Inc.	TSX:EFR
4. Deep Yellow Limited	ASX:DYL	11. Isoenergy Ltd	TSX:ISO
5. Bannerman Limited	ASX:BMN	12. Ur-Energy Inc	NYSE:URG
6. Alligator Energy Limited	ASX:AGE	13. Cameco Corp	TSX:CCO
7. DevEx Resources Limited	ASX:DEV	14. Uranium Energy Corp.	NYSE:UEC

Note that some companies in the above peer group listing have multiple listings and details of only one listing is provided.

Audited Remuneration Report

5.4 Incentive Arrangements (continued)

The following LTI Option grants were made to KMP in FY2025:

Table 19: FY2025 LTI Option Grants to KMP

KMP	Maximum LTI Opportunity (as % of TFR as at 30 June 2025)	Options Granted (#) ¹	Value of LTI Options (included in Rem Report) (\$)
Greg Bittar	100%	– ⁴	– ⁴
Michael Da Costa	75%	992,648	\$154,064
Hayden Bartrop	73.3% ²	882,353	\$142,544
Keith Bowes	25.4% ³	– ⁴	– ⁴
Michael Ball	–	–	N/A

1 The nominal value of options to calculate the number granted to each individual was \$0.34, being the closing price of Lotus shares on 28 June 2024. The number of options granted is an individual's TFR x Maximum STI (% of TFR) / \$0.34.

2 Mr Bartrop's Maximum LTI Opportunity was 75%. However, his Maximum LTI Opportunity was calculated on \$400,000. Mr Bartrop received a remuneration increase to \$450,000 on 1 March 2025.

3 Mr Bowes' Maximum LTI Opportunity was 102% of his TFR. His Maximum LTI Opportunity was pro-rated to 25.4% of his full entitlement based on service to end of his resignation period on 31 March 2025.

4 The grant of options to Mr Bittar and Mr Bowes is subject to shareholder approval at the 2025 AGM.

J. Onboarding and Service Options

Mr Bartrop was granted onboarding options to compensate him for the forfeiture of incentives by resigning from his former employer in FY2025. Mr Bittar was granted commencement options as part of his appointment as Chief Executive Officer on 9 August 2024.

Table 20: FY2025 Onboarding and Service Option Grants to KMP

Name	Quantity	Grant Date	Vesting Date	Exercise Price	Expiry Date	Vesting Hurdles	Value of Options (included in Rem Report) (\$)
Greg Bittar	3,000,000	30-Aug-24	9-Aug-25 (earliest)	Nil	8-Aug-27	Continuous service for 12 months and Lotus share price at or above \$0.35 for 5 consecutive days during option period	\$159,847
Greg Bittar	3,000,000	30-Aug-24	9-Aug-26 (earliest)	Nil	8-Aug-27	Continuous service for 24 months and Lotus share price at or above \$0.35 for 5 consecutive days during option period	\$229,421
Hayden Bartrop	1,000,000	12-Nov-24	8-Oct-25	\$0.30	8-Oct-27	Continuous service for 12 months	\$108,000
Hayden Bartrop	1,000,000	12-Nov-24	8-Oct-26	\$0.30	8-Oct-27	Continuous service for 24 months	\$108,000



Audited Remuneration Report

5.4 Incentive Arrangements (continued)

Mr Bittar and Mr Da Costa were granted the following onboarding options in FY2024, which have now vested:

Table 21: FY2024 Onboarding and Service Option Grants to KMP

Name	Quantity	Grant Date	Vesting Date	Exercise Price	Expiry Date	Vesting Hurdles	Value of Options (included in Rem Report) (\$)
Greg Bittar	1,000,000	20-May-24	31-Dec-24	\$0.30	20-May-27	Continuous service for 6 months	\$263,110
Greg Bittar	1,000,000	20-May-24	30-Jun-25	\$0.30	20-May-27	Continuous service for 12 months	\$263,110
Mike Da Costa	1,000,000	20-May-24	31-Dec-24	\$0.30	20-May-27	Continuous service for 6 months	\$263,110
Mike Da Costa	1,000,000	20-May-24	30-Jun-25	\$0.30	20-May-27	Continuous service for 12 months	\$263,110

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6. REMUNERATION OF KEY MANAGEMENT PERSONNEL

Details of the nature and amount of the remuneration of the key management personnel of the Group are:

Table 22: Statutory Remuneration

		SHORT-TERM			POST-EMPLOYMENT	SHARE-BASED PAYMENTS	Proportion of Performance Based Remuneration		
		Salary, Fees & Leave \$	Non-Monetary \$	Cash Bonus \$	Superannuation & Long Service Leave \$	Options \$	Total \$	STI %	LTI %
Non-Executive Directors									
Mr M Bowen	2025	119,764 ¹	-	-	7,746	470,675	598,185	-	-
	2024	67,568	-	-	7,432	369,325	444,325	-	-
Ms L Heywood ²	2025	46,712	-	-	5,372	-	52,084	-	-
	2024	-	-	-	-	-	-	-	-
Mr S Hay ³	2025	46,712	-	-	5,372	-	52,084	-	-
	2024	-	-	-	-	-	-	-	-
Mr M Hanlon ⁴	2025	37,369	-	-	4,298	313,783	355,450	-	-
	2024	45,045	-	-	4,955	246,217	296,217	-	-
Ms D Marshall ⁵	2025	41,598	-	-	4,784	313,783	360,165	-	-
	2024	45,045	-	-	4,955	371,801	421,801	-	30%
Executive Director									
Mr G Bittar ⁶	2025	479,203	-	-	30,758	691,336 ⁷	1,201,297	18% ⁷	20% ⁷
	2024	-	-	-	-	-	-	-	-
Mr K Bowes ⁸	2025	325,884	8,355	30,000	22,500	831,587 ⁷	1,218,326	11% ⁷	9% ⁷
	2024	386,827	8,675	45,000	28,548	792,397	1,261,447	15%	6%
Mr G Davey ⁹	2025	157,164	3,690	-	-	313,783	474,637	-	-
	2024	50,000	-	-	-	246,217	296,217	-	-
Other KMP									
Mr M da Costa ¹⁰	2025	434,632	8,716	-	46,413	604,626	1,094,387	31%	23%
	2024	69,966	704	-	7,147	74,515	152,332	-	-
Mr H Bartrop ¹¹	2025	296,297	4,149	-	23,885	249,480	573,811	33%	9%
	2024	-	-	-	-	-	-	-	-
Mr M Ball ¹²	2025	253,255	6,581	20,000	22,521	140,905	443,262	23%	-
	2024	258,229	7,385	30,000	28,816	187,530	511,960	16%	11%
Total KMP	2025	2,238,590	31,491	50,000	173,649	3,929,958	6,423,688	19%	10%
	2024	922,680	16,764	75,000	81,853	2,288,002	3,384,299	8%	7%

¹ Includes a special exertion fee. Refer to Table 6 for further details.

² Ms Heywood commenced on 3 February 2025.

³ Mr Hay commenced on 3 February 2025.

⁴ Mr Hanlon retired on 30 April 2025.

⁵ Ms Marshall retired on 4 June 2025.

⁶ Mr Bittar commenced as CEO on 9 August 2025 and Managing Director and CEO on 12 December 2024.

⁷ Excludes the value of STI and LTI options to Mr Bittar and Mr Bowes which are subject to shareholder approval at the 2025 AGM.

⁸ Mr Bowes ceased as Managing Director on 9 August 2024, Technical Director on 12 December 2024 and KMP on 31 March 2025.

⁹ Mr Davey moved from a Non-Executive Director to Executive Director on 9 August 2024 and ceased as Executive Director on 31 March 2025.

¹⁰ Mr Da Costa commenced on 15 May 2024.

¹¹ Mr Bartrop commenced as KMP on 9 October 2024.

¹² Mr Ball ceased as a KMP on 31 March 2025.

Audited Remuneration Report

7. EQUITY REMUNERATION

7.1 Options Issued During Financial Year to Key Management Personnel

The table below sets out details of options granted to the KMP where the vesting criteria did not contain any market conditions. Note, the table excludes FY2025 STI options for Mr Bittar (934,192) and Mr Bowes (454,357) which are subject to shareholder approval at the 2025 Annual General Meeting.

Table 23: Options Issued to KMP – Non-market Conditions

Scheme	Options Number	Grant date	Expiry date	Exercise Price	Spot Price at Grant Date	Dividend Yield	Risk-free Interest Rate	Fair Value at Grant Date
Chief Operations Officer – Michael da Costa								
FY2025 STI	529,412	23/01/2025	30/06/2027	\$0.00 each	\$0.25	Nil	3.770%	\$0.25
Chief Financial Officer – Hayden Bartrop								
Onboarding	1,000,000	12/11/2024	08/10/2027	\$0.30 each	\$0.23	Nil	3.790%	\$0.11
Onboarding	1,000,000	12/11/2024	08/10/2027	\$0.30 each	\$0.23	Nil	3.790%	\$0.11
FY2025 STI	470,589	23/01/2025	30/06/2027	\$0.00 each	\$0.25	Nil	3.770%	\$0.25
Former Chief Financial Officer – Michael Ball								
FY2025 STI	191,177	23/01/2025	30/06/2027	\$0.00 each	\$0.25	Nil	3.790%	\$0.25



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7.1 Options Issued During Financial Year to Key Management Personnel (continued)

The table below sets out details of the options granted to KMP that contained market based vesting criteria related to total shareholder return performance against a peer group. Note, the table excludes FY2025 LTI options for Mr Bittar (1,617,648) and Mr Bowes (298,971) which are subject to shareholder approval at the 2025 Annual General Meeting.

Table 24: Options Issued to KMP – Market Conditions

Scheme	Options Number	Grant date	Expiry date	Exercise Price	Spot Price at Grant Date	Dividend Yield	Risk-free Interest Rate	Fair Value at Grant Date
Managing Director and CEO– Gregory Bittar								
Commencement	3,000,000	30/08/2024	08/08/2027	\$0.00 each	\$0.23	Nil	3.540%	\$0.05
Commencement	3,000,000	30/08/2024	08/08/2027	\$0.00 each	\$0.23	Nil	3.540%	\$0.08
Chief Operations Officer – Michael da Costa								
FY2025 LTI	496,324	5/02/2025	1/07/2029	\$0.00 each	\$0.25	Nil	3.890%	\$0.17
FY2025 LTI	496,324	5/02/2025	1/07/2029	\$0.00 each	\$0.25	Nil	3.890%	\$0.14
Chief Financial Officer – Hayden Bartrop								
FY2025 LTI	441,177	24/01/2025	1/07/2029	\$0.00 each	\$0.26	Nil	4.030%	\$0.17
FY2025 LTI	441,176	24/01/2025	1/07/2029	\$0.00 each	\$0.26	Nil	4.030%	\$0.15

7.2 Exercise of Options Granted as Compensation

During the reporting period, the following shares were issued on exercise of options previously granted as compensation. No amounts are unpaid on any shares issued on the exercise of options.

Table 25: Options exercised by KMP

Scheme	Number of shares	Amount Paid
Keith Bowes		
FY2022 STI	550,800	Nil
FY2022 LTI	655,590	Nil
FY2023 STI	335,814	Nil
FY2024 STI	696,585	Nil
Director Options	3,000,000	Nil
Grant Davey		
Director Options	2,000,000	Nil
Michael Ball		
FY2024 STI	383,122	Nil

Audited Remuneration Report

7. EQUITY REMUNERATION

7.3 Options holdings of Key Management Personnel

For the year ended 30 June 2025, the outstanding options granted by the Company to KMP are set out below. The options carry no dividend or voting rights.

Note, the table excludes FY2025 STI options for Mr Bittar (934,192) and Mr Bowes (454,357) and FY2025 LTI options for Mr Bittar (1,617,648) and Mr Bowes (298,971), which are subject to shareholder approval at the 2025 Annual General Meeting.

Table 26: Option Holdings of Key Management Personnel

Held at 30 June 2024				Held at 30 June 2025					
KMP Name and Grant Date	Unvested	Vested	Granted as compensation	Vested	Exercised	Lapsed	Other Changes ²	Unvested	Vested and exercisable at 30 June 2025
Mr Michael Bowen 28-Nov-2023	3,000,000 3,000,000	- -	- -	3,000,000 3,000,000	- -	- -	- -	- -	3,000,000 3,000,000
Ms Leanne Heywood	-	-	-	-	-	-	-	-	-
Mr Simon Hay	-	-	-	-	-	-	-	-	-
Mr Mark Hanlon 28-Nov-2023	2,000,000 2,000,000	- -	- -	2,000,000 2,000,000	- -	- -	(2,000,000) (2,000,000)	- -	- -
Ms Dixie Marshall 28-Nov-2023	2,000,000 2,000,000	- -	- -	2,000,000 2,000,000	- -	- -	(2,000,000) (2,000,000)	- -	- -
Mr Gregory Bittar 20-May-2024 30-Aug-2024 30-Aug-2024	2,000,000 2,000,000 - -	- - - -	6,000,000 - 3,000,000 3,000,000	2,000,000 2,000,000 - -	- - - -	- - - -	- - - -	6,000,000 - 3,000,000 3,000,000	2,000,000 2,000,000 - -
Mr Grant Davey 28-Nov-2024	2,000,000 2,000,000	- -	- -	2,000,000 2,000,000	- -	- -	(2,000,000) (2,000,000)	- -	- -

7.3 Options holdings of Key Management Personnel (continued)

Table 26: Option Holdings of Key Management Personnel (continued)

Held at 30 June 2024				Held at 30 June 2025					
KMP Name and Grant Date	Unvested	Vested	Granted as compensation	Vested	Exercised	Lapsed	Other Changes ²	Unvested	Vested and exercisable at 30 June 2025
Mr Keith Bowes	8,122,037	2,116,614	-	5,924,199	-	(2,097,633)	(8,141,018)	-	-
29-Nov-2021	-	550,800	-	-	-	-	(550,800)	-	-
29-Nov-2021	-	1,230,000	-	-	-	(574,410)	(655,590)	-	-
25-Nov-2022	-	335,814	-	-	-	-	(335,814)	-	-
25-Nov-2022	1,767,442	-	-	1,767,442	-	(147,286) ¹	(1,620,156)	-	-
28-Nov-2023	1,156,757	-	-	1,156,757	-	(460,172)	(696,585)	-	-
28-Nov-2023	2,197,838	-	-	-	-	(915,765) ¹	(1,282,073)	-	-
28-Nov-2023	3,000,000	-	-	3,000,000	-	-	(3,000,000)	-	-
Mr Michael da Costa	2,000,000	-	1,522,060	2,529,412	-	-	-	992,648	2,529,412
20-May-2025	2,000,000	-	-	2,000,000	-	-	-	-	2,000,000
23-Jan-2025	-	-	529,412	529,412	-	-	-	-	529,412
05-Feb-2025	-	-	992,648	-	-	-	-	992,648	-
Mr Hayden Bartrop	-	-	3,352,942	470,589	-	-	-	2,882,353	470,589
12-Nov-2025	-	-	2,000,000	-	-	-	-	2,000,000	-
23-Jan-2025	-	-	470,589	470,589	-	-	-	-	470,589
24-Jan-2025	-	-	882,353	-	-	-	-	882,353	-
Mr Michael Ball	2,357,984	-	191,177	1,594,836	-	(858,164)	(1,690,997)	-	-
14-Nov-2022	767,442	-	-	767,442	-	(127,907) ¹	(639,535)	-	-
30-Oct-2023	636,217	-	-	636,217	-	(253,095)	(383,122)	-	-
30-Oct-2023	954,325	-	-	-	-	(477,162) ¹	(477,163)	-	-
23-Jan-2025	-	-	191,177	191,177	-	-	(191,177)	-	-

¹ The Board determined Mr Bowes and Mr Ball were "good leavers" and in accordance with the Company's "good leaver" policy, pro rata reduced unvested incentives based on the performance period completed to the date of termination. The unvested incentives will continue to remain on foot and be tested against the performance conditions on the relevant vesting date.

² These amounts were the options held by the KMP as at the date of retirement/resignation and have been disclosed as a reduction.



Audited Remuneration Report

7.4 Shareholdings of Key Management Personnel

The table below sets out the shareholdings of KMP and the movements for the year ended 30 June 2025.

Table 27: Shareholdings of Key Management Personnel

Name	Held at 1 July 2024	Acquired at market value	Received on exercise of options	Disposal	Other Changes ¹	Held at 30 June 2025
Non-Executive Directors						
Mr Michael Bowen	5,250,000	120,000	-	-	-	5,370,000
Ms Leanne Heywood	-	90,000	-	-	-	90,000
Mr S Hay	-	200,000	-	-	-	200,000
Mr Mark Hanlon	6,500,000	-	-	-	(6,500,000)	Nil
Ms Dixie Marshall	800,000	-	-	-	(800,000)	Nil
Executive Directors						
Mr Gregory Bittar	-	520,000	-	-	-	520,000
Mr Grant Davey	150,098,458	120,000	-	-	(150,218,458)	Nil
Mr Keith Bowes	11,323,196	-	550,800	-	(11,873,996)	Nil
Other KMP						
Mr Michael da Costa	-	-	-	-	-	-
Mr Hayden Bartrop	-	205,000	-	-	-	205,000
Mr Michael Ball	250,000	-	-	-	(250,000)	Nil

¹ These amounts were the shares held by the KMP as at the date of retirement/resignation and have been disclosed as a reduction.

8. OTHER TRANSACTIONS AND BALANCES WITH KEY MANAGEMENT PERSONNEL AND DIRECTORS' RELATED ENTITIES

Key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of these entities. The Board has in place procedures to review the nature and terms of such related party transactions, prior to commencement, and on a regular basis thereafter, to ensure that the transactions are appropriate and do not have the potential to compromise director independence.

The Company engages a range of law firms, including Thompson Geer Lawyers (Thomson Geer) from time to time, as considered appropriate for the services required. Mr Michael Bowen, who is a Non-Executive Director of the Company is a Partner of national law firm Thompson Geer. The Company used Thompson Geer for general legal services. The services provided by Thompson Geer were done so at an arm's length basis and on normal commercial terms. During the financial year, the Company incurred costs under this arrangement totalling \$34,682 which predominately related to matters which the firm had prior knowledge of the Company or specific expertise (2024: \$290,037). There was no balance owing to Thompson Geer as at 30 June 2025 in relation to the provision of services (2024: Nil).

Mr Grant Davey, who was a Non-Executive Director of the Company until 9 August 2024 at which time he transitioned to Executive Director until 31 March 2025, is also a Director and a shareholder of Matador Capital Pty Ltd (**Matador Capital**). The Company made payments to Matador Capital under a Shared Services Agreement in which Matador Capital provides office space, general office services, bookkeeping services, company secretarial services, ESG consulting services, corporate development and investor relation services and, technical exploration and geological staff to the Company at cost plus 5%. During the year, the Company incurred costs under this arrangement totalling \$1,156,457 (2024: \$814,482). These services provided by Matador Capital were done so at an arm's length basis and on normal commercial terms. There was a balance of \$22,046 (2024: \$71,662) owing to Matador Capital as at 30 June 2025 in relation to the provision of services. The Company notes that it has transitioned away from the office sharing and cost sharing arrangements with Matador effective from 1 July 2025, except for the sharing of project management expertise of Kayelekera Project Director Mr Warren King, which is essential for the continuity of Kayelekera's restart.

Ms Dixie Marshall, who was a Non-Executive Director of the Company until 4 June 2025, is a Director at advertising company Marketforce. The Company incurred costs with Marketforce totalling \$1,280 on arm's length normal commercial terms for ongoing website re-design and development for which it was considered that the selection of Marketforce provided certain efficiencies as a result of the knowledge of the Company's business provided by Ms Marshall (2024: \$36,236). There was no balance owing to Marketforce as at 30 June 2025 (2024: \$22,865) in relation to the provision of those services.

There were no other related party transactions with key management personnel during the year, including loans to any key management personnel.

[This is the end of the audited remuneration report.]



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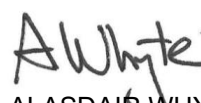
www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of Lotus Resources Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

RSM
RSM AUSTRALIA


ALASDAIR WHYTE
Partner

Perth, WA
Dated: 23 September 2025

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Annual Financial Statements

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Statement of profit or loss and other comprehensive income

for the year ended 30 June 2025

	Note	Consolidated 2025 \$	Consolidated 2024 \$
Other income	3	3,571,721	1,669,776
Corporate and administrative expenses	4(a)	(6,792,127)	(3,609,421)
Care and maintenance costs	4(b)	(5,778,947)	(3,741,967)
Pre-production costs	4(c)	(551,870)	-
Exploration and evaluation expenses	4(d)	(720,757)	(3,061,969)
Finance costs – accretion interest	15	-	(1,309,702)
Finance costs - other		-	(131,877)
Impairment charges – plant and equipment	9	(64,387)	(1,423,931)
Impairment charges – exploration and evaluation assets		(36,073)	(10,447,397)
Depreciation charges	9	(477,008)	(2,740)
Share-based payments expense	22	(4,615,000)	(3,161,616)
Loss before income tax		(15,464,448)	(25,220,844)
Income tax expense	5	(119,347)	(22,881)
Loss after income tax		(15,583,795)	(25,243,725)
Other comprehensive loss			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Foreign exchange differences on translating foreign operations		(5,949,315)	(1,552,195)
Total other comprehensive loss, net of tax		(5,949,315)	(1,552,195)
Total comprehensive loss for the financial year		(21,533,110)	(26,795,920)
Loss attributable to:			
Non-controlling interests		(1,823,625)	(736,275)
Members of the parent		(13,760,170)	(24,507,450)
		(15,583,795)	(25,243,725)
Total comprehensive loss attributable to:			
Non-controlling interests		(2,786,742)	(1,003,750)
Members of the parent		(18,746,368)	(25,792,170)
		(21,533,110)	(26,795,920)
Loss per share			
Basic and diluted loss per share (cents)	26	(0.64)	(1.54)

The statement of profit or loss and other comprehensive income is to be read in conjunction with the accompanying notes.



Statement of financial position

as at 30 June 2025

	Note	Consolidated 2025 \$	Consolidated 2024 \$
Current Assets			
Cash and cash equivalents	6	54,092,246	34,125,776
Other current assets	7	38,733,151	1,215,557
Inventories	8	4,841,074	136,986
Total Current Assets		97,666,471	35,478,319
Non-Current Assets			
Right-of-use assets	14	466,258	-
Plant and equipment	9	41,952,519	164,480
Exploration and evaluation assets	10	124,039,288	118,178,228
Other financial assets	11	15,310,489	14,999,903
Total Non-Current Assets		181,768,554	133,342,611
Total Assets		279,435,025	168,820,930
Current Liabilities			
Trade and other payables	12	4,230,989	3,087,556
Lease liabilities	14	103,457	-
Provisions	13	242,965	135,996
Total Current Liabilities		4,577,411	3,223,552
Non-Current Liabilities			
Lease liabilities	14	352,000	-
Provisions	15	38,977,452	38,202,500
Total Non-Current Liabilities		39,329,452	38,202,500
Total Liabilities		43,906,863	41,426,052
Net Assets		235,528,162	127,394,878
Equity			
Contributed equity	16	391,398,796	263,785,659
Reserves	17	(35,747,754)	(32,681,683)
Accumulated losses	18	(118,334,858)	(101,296,301)
Equity attributable to owners of the Company		237,316,184	129,807,675
Non-controlling interest	17	(1,788,022)	(2,412,797)
Total Equity		235,528,162	127,394,878

The above statement of financial position should be read in conjunction with the accompanying notes.



Statement of changes in equity

for the year ended 30 June 2025

Consolidated 2025	Contributed Equity \$	Share-Based Payment Reserve \$	Foreign Currency Reserve \$	Accumulated Losses \$	Capital Reserves \$	Non-Controlling Interest \$	Total Equity \$
Balance at 1 July 2024	263,785,659	3,175,819	(911,542)	(101,296,301)	(34,945,960)	(2,412,797)	127,394,878
Loss after income tax	-	-	-	(13,760,170)	-	(1,823,625)	(15,583,795)
Other comprehensive loss	-	-	(4,986,198)	-	-	(963,117)	(5,949,315)
Total comprehensive loss for the financial year	-	-	(4,986,198)	(13,760,170)	-	(2,786,742)	(21,533,110)
Transactions with equity holders in their capacity as equity holders							
Ordinary shares issued – capital raising	132,266,000	-	-	-	-	-	132,266,000
Ordinary shares issued – A-Cap staff	124,043	(124,043)	-	-	-	-	-
Reclassification of historical allocation of NCI and accumulated losses	-	-	-	(3,411,517)	-	3,411,517	-
Share issue costs	(7,214,606)	-	-	-	-	-	(7,214,606)
Share-based payments	-	4,615,000	-	-	-	-	4,615,000
Shares issued on exercise of options	2,437,700	(2,437,700)	-	-	-	-	-
Lapse/expiry of unexercised options	-	(133,130)	-	133,130	-	-	-
Balance at 30 June 2025	391,398,796	5,095,946	(5,897,740)	(118,334,858)	(34,945,960)	(1,788,022)	235,528,162

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of changes in equity

for the year ended 30 June 2025

Consolidated 2024	Contributed Equity \$	Share-Based Payment Reserve \$	Foreign Currency Reserve \$	Accumulated Losses \$	Capital Reserves \$	Non- Controlling Interest \$	Total Equity \$
Balance at 1 July 2023	143,537,936	2,995,081	373,178	(76,866,298)	(34,945,960)	(1,409,047)	33,684,890
Loss after income tax	-	-	-	(24,507,450)	-	(736,275)	(25,243,725)
Other comprehensive loss	-	-	(1,284,720)	-	-	(267,475)	(1,552,195)
Total comprehensive loss for the financial year	-	-	(1,284,720)	(9,916,736)	-	(1,003,750)	(26,795,920)
Transactions with equity holders in their capacity as equity holders							
Shares issued on acquisition of A-Cap Group	88,622,108	-	-	-	-	-	88,622,108
Shares issued to consultants	802,201	-	-	-	-	-	802,201
Share-based payments	-	2,359,415	-	-	-	-	2,359,415
Shares issued on exercise of options	2,651,230	(2,101,230)	-	-	-	-	550,000
Lapse/expiry of unexercised options	-	(77,447)	-	77,447	-	-	-
Ordinary shares issued – capital raising	30,000,000	-	-	-	-	-	30,000,000
Share issue costs	(1,827,816)	-	-	-	-	-	(1,827,816)
Balance at 30 June 2024	263,785,659	3,175,819	(911,542)	(101,296,301)	(34,945,960)	(2,412,797)	127,394,878

The above statement of changes in equity should be read in conjunction with the accompanying notes.



Statement of cash flows

for the year ended 30 June 2025

	Note	Consolidated 2025 \$	Consolidated 2024 \$
Cash flows from operating activities			
Other income received		-	21,158
Interest received		3,348,086	1,566,274
Payments to suppliers and employees -inclusive of GST		(7,017,426)	(3,539,520)
Payments for care and maintenance and exploration costs		(5,976,328)	(5,200,147)
Payments for pre-production costs		(551,870)	-
Finance costs paid		-	(152,595)
Income tax paid		(119,347)	(22,881)
Net cash used in operating activities	27	(10,316,885)	(7,327,711)
Cash flows from investing activities			
Payments for exploration costs		(5,574,768)	(2,124,901)
Purchases of plant and equipment		(57,821,749)	(1,400,025)
Purchase of short-term investment		(21,841,538)	-
Payment of lease liabilities		(45,292)	-
Cash acquired from acquisition of A-Cap Group		-	1,237,533
Payments for acquisition-related costs		-	(360,644)
Net cash used in investing activities		(85,283,347)	(2,648,037)
Cash flows from financing activities			
Proceeds from issue of shares		132,266,000	30,000,000
Share issue transaction costs		(7,214,606)	(1,827,816)
Proceeds from the exercise of options		-	550,000
Net cash from financing activities		125,051,394	28,722,184
Net increase in cash and cash equivalents		29,451,162	18,746,436
Cash and cash equivalents at the beginning of the financial year			
		34,125,776	15,519,217
Effect of exchange rate changes on cash and cash equivalents		(9,484,692)	(139,877)
Cash and cash equivalents at the end of the financial year	6	54,092,246	34,125,776

The above statement of cash flows should be read in conjunction with the accompanying notes.



Notes to the Financial Statements

1. STATEMENT OF MATERIAL ACCOUNTING POLICY INFORMATION

This financial report includes the consolidated financial statements and notes of Lotus Resources Limited and controlled entities (**consolidated entity** or the **Group**). The separate financial statements and notes of Lotus Resources Limited as an individual parent entity (**Company** or **Lotus Resources**) have not been presented within this financial report as permitted by the *Corporations Act 2001*. Supplementary information about the parent entity is disclosed in note 31.

The financial report was authorised for issue on 18 September 2025 by the Directors of the Company.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations has not resulted in a significant or material change to the Group's accounting policies.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory have not been early adopted by the Consolidated Entity for the annual reporting period ended 30 June 2025. The Consolidated Entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Basis of Preparation

The consolidated financial statements are a general-purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Corporations Act 2001*.

Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. The principal accounting policies adopted in the preparation of the financial report are set out either in the respective notes or below. They have been consistently applied unless otherwise stated.

The financial report covers Lotus Resources and its subsidiaries and has been prepared in Australian dollars. Lotus Resources is a listed public company, incorporated and domiciled in Australia.

Historical cost convention

The financial report has been prepared under the historical cost convention, except as otherwise disclosed below or on the respective notes.

Critical accounting estimates

The preparation of the financial report requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 19.



Notes to the Financial Statements

1. STATEMENT OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Lotus Resources as at 30 June 2025 and the results of all subsidiaries for the year then ended.

Subsidiaries are all those entities over which the Company has control. The Company controls an entity when they are exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the Company loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Company recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle, it is held primarily for the purpose of trading, it is expected to be realised within 12 months after the reporting period, or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

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Notes to the Financial Statements

1. STATEMENT OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Current and non-current classification(continued)

operating cycle, it is held primarily for the purpose of trading, it is due to be settled within 12 months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Foreign currency

Functional and presentation currency

Both the functional and presentation currency of the parent entity and the Group is Australian Dollars (\$), with the exception of Lotus (Africa) Limited and Lotus Marula Botswana Proprietary Limited (formerly A-Cap Resources Botswana (Pty) Ltd) whose functional currency for both Companies is United States Dollars (US\$).

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its' carrying value is written off.



Notes to the Financial Statements

1. STATEMENT OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Investments and other financial assets (continued)

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

The consolidated entity's financial assets during the financial year comprised other receivables and a security deposit.

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

Derecognition of financial assets

The consolidated entity derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which either:

- substantially all of the risks and rewards of ownership of the financial asset are transferred; or
- the consolidated entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.



1. STATEMENT OF MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Goods and Services Tax (and other similar taxes)

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the tax authority. In these circumstances GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the tax authority is included as a current asset or liability in the statement of financial position. Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the tax authority are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Asset acquisition

If an entity acquires an asset or a group of assets (including any liabilities assumed) that does not constitute a business, then the transaction is outside the scope of AASB 3, Business Combination because it cannot meet the definition of a business combination. Such transaction is accounted for as an asset acquisition in which the cost of acquisition is generally allocated between the individual identifiable assets and liabilities in the group based on their relative fair values at the date of acquisition and does not give rise to a goodwill. Transaction costs are capitalised into the carrying value of individual assets, rather than being expensed as is the case for business combinations.

In addition, the acquisition of non-financial assets that does not constitute a business in exchange for equity instruments is in scope of AASB 2, Share-based Payments, where the entity shall measure the goods or services received, and the corresponding increase in equity, directly at the fair value of the goods or services received, unless the fair value cannot be estimated reliably.

If the entity cannot estimate reliably the fair value of the goods or services received, the entity shall measure their fair value, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted.



Notes to the Financial Statements

2. SEGMENT REPORTING

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the consolidated entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. Management will also consider other factors in determining operating segments such as the level of segment information presented to the Board of Directors.

Operating segments have been identified based on the information provided to the chief operating decision makers, being the Board of Directors.

During the financial year ended 30 June 2025, the Consolidated entity operated in four business segments and two geographical locations, being the exploration, evaluation and development of Uranium assets in Africa (comprising the geographical locations Malawi and Botswana), nickel-cobalt exploration, evaluation and development in Australia, and Corporate activities in Australia.

2025	Operating Loss \$	Total Assets \$	Total Liabilities \$
Uranium - Malawi	(12,157,501)	121,842,074	(42,796,762)
Uranium - Botswana	(1,222)	80,283,030	(234,471)
Nickel-Cobalt-Australia	(39,801)	4,139,845	-
Corporate	(3,385,271)	73,170,076	(875,630)
	(15,583,795)	279,435,025	(43,906,863)

2024	Operating Loss \$	Total Assets \$	Total Liabilities \$
Uranium - Malawi	(5,155,281)	55,804,758	(38,530,422)
Uranium - Botswana	(70,231)	74,594,058	(335,949)
Nickel-Cobalt-Australia	(10,450,608)	44,680	(448,544)
Corporate	(9,567,605)	38,377,434	(2,111,137)
	(25,243,725)	168,820,930	(41,426,052)

3. OTHER INCOME

	Consolidated 2025 \$	Consolidated 2024 \$
Finance income - interest	3,375,162	1,648,618
Other income (including foreign currency gains)	196,559	21,158
	3,571,721	1,669,776



Notes to the Financial Statements

3. OTHER INCOME (continued)

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Foreign currency gain or loss on financial assets and financial liabilities

Finance costs attributable to qualifying assets are capitalised as part of the asset (e.g. interest on borrowings). All other finance gains or losses are realised when earned or expensed in the period in which they are incurred, respectively. These are mainly foreign currency gains or losses on financial assets and financial liabilities.

4. EXPENSES

	Consolidated 2025 \$	Consolidated 2024 \$
(a) Corporate and administrative expenses		
Director fees and salaries, including superannuation expense	2,991,531	1,414,998
Accounting and company secretarial fees	461,372	416,808
Legal fees	169,206	21,628
Other corporate and administrative costs	3,170,018	1,755,987
	<u>6,792,127</u>	<u>3,609,421</u>
(b) Care and maintenance costs		
Processing costs	1,209,274	253,796
Engineering fees	1,536,798	1,362,760
Site services costs	2,150,454	1,602,889
Safety, health, environment and radiation	564,975	253,379
Security fees	317,446	269,143
	<u>5,778,947</u>	<u>3,741,967</u>
(c) Pre-production cost		
Mining and geology	<u>551,870</u>	<u>-</u>
(d) Exploration and evaluation expenses		
Marketing and consultancy	413,509	2,116,848
Project financing costs	307,248	945,121
	<u>720,757</u>	<u>3,061,969</u>



Notes to the Financial Statements

5. TAXATION

	Consolidated 2025 \$	Consolidated 2024 \$
The prima facie tax on loss before income tax is reconciled to the income tax expense as follows:		
Income tax expense – withholding tax expense on interest payments	119,347	22,881

Income tax expense and deferred tax assets and liabilities

Income tax expense comprises amounts withheld from bank interest received under Malawian tax law. These amounts are able to be recouped against assessable company income tax. Given the uncertainty around the timing of the generation of assessable income tax with the Kayelekera Uranium Project currently in a restart of operations, these amounts have been de-recognised for accounting purposes.

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- when the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- when the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

5. TAXATION (continued)

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Lotus Resources Limited (the 'head entity') and its wholly owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

At 30 June 2025, the Group has unused tax losses relating to the operating losses incurred under Malawian tax law by subsidiary Lotus (Africa) Limited, the owner of the Kayelekera Uranium Mine. The Group also has tax losses relating to the Australian tax consolidation group.

No deferred tax assets have been recognised with respect to these losses because the Directors do not believe it is appropriate to recognise the deferred tax asset at this point in time. This benefit will only be obtained if:

- the Group expects to derive future assessable income of a nature and of an amount sufficient to enable the benefits from the deduction for the losses to be realised;
- the Group continues to comply with the conditions for deductibility imposed by tax legislation; and
- no changes in tax legislation adversely affect the company in realising the benefit from the deduction for the losses.



Notes to the Financial Statements

6. CASH AND CASH EQUIVALENTS

	Consolidated 2025 \$	Consolidated 2024 \$
Cash at bank and on hand	17,657,561	625,776
Term deposits	36,434,685	33,500,000
	<u>54,092,246</u>	<u>34,125,776</u>

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

As at 30 June 2025, the Group's term deposits have original maturity dates ranging from one to six months (2024: up to three months). Term deposits with original maturities exceeding three months are not classified as cash and cash equivalents and are instead presented as short-term investments under "Other current assets" in the balance sheet.

7. OTHER CURRENT ASSETS

	Consolidated 2025 \$	Consolidated 2024 \$
Short-term investments	21,841,538	-
Prepayments	15,984,092	492,147
Accrued interest receivables	404,458	189,694
GST receivables	348,243	392,241
Security deposits	154,820	141,475
	<u>38,733,151</u>	<u>1,215,557</u>

Short-term investments

Short-term investments consist of term deposits with banks that have original maturities exceeding three months but not more than twelve months. While these investments are highly liquid and carry low credit risk, they do not meet the definition of cash and cash equivalents under AASB 107 due to their original maturity being greater than three months from the date of acquisition.

As at 30 June 2025, the term deposits have original maturities ranging from 4 to 6 months. These deposits earn interest at rates between 4.10% and 4.79% and are placed with counterparties having a minimum credit rating of A-1+ (High grade).



Notes to the Financial Statements

7. OTHER CURRENT ASSETS (continued)

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses. The Group's exposure to credit risk related to other receivables is disclosed in note 20.

Prepayments

These advance payments relate to project-related costs in Kayelekera, including prepayments for materials, equipment, and services under contractual arrangements with third-party suppliers. The projects primarily involve cost related plant refurbishment and acquisition of mobile equipment.

The advances are made in accordance with contractual milestones and are expected to be utilized within the next 12 months, in line with the delivery of goods or rendering of services. Upon receipt of the goods or completion of services, the prepayments will be reclassified to the appropriate asset or expense categories, such as capital work-in-progress or property plant and equipment.

Allowance for expected credit losses

The Group did not recognise any losses (2024: Nil) in profit or loss in respect of the expected credit losses for the year ended 30 June 2025.

8. INVENTORIES

	Consolidated 2025 \$	Consolidated 2024 \$
Spare parts, supplies and consumables	4,841,074	136,986

Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average cost method. During the financial year, no inventory amounts were recognised as an expense (2024: \$49,625) with prior-year amounts included in care and maintenances costs in the statement of profit or loss and other comprehensive income. There are no items which are identified as obsolete during the financial year.

Notes to the Financial Statements

9. PLANT AND EQUIPMENT

	Furniture and Fixtures \$	Mine Plant and Equipment \$	Motor Vehicles \$	WIP Assets \$	Total \$
At 30 June 2025 (Consolidated)					
Cost	8,660,517	546,245,931	8,137,605	3,924,442	566,968,495
Accumulated depreciation and impairment	(7,869,685)	(512,305,349)	(4,840,942)	-	(525,015,976)
Net carrying amount	790,832	33,940,582	3,296,663	3,924,442	41,952,519
Year ended 30 June 2024 (Consolidated)					
At 1 July 2024, net of accumulated depreciation	24,372	44,151	95,957	-	164,480
Additions	880,202	34,040,482	3,508,990	3,924,442	42,354,116
Depreciation charge for the financial year	(49,271)	(148,218)	(279,519)	-	(477,008)
Depreciation capitalised to exploration and evaluation assets	(84)	(42,185)	(28,765)	-	(71,034)
Impairment charge for the financial year	(64,387)	-	-	-	(64,387)
Foreign exchange movements	-	46,352	-	-	46,352
At 30 June 2025, net of accumulated depreciation	790,832	33,940,582	3,296,663	3,924,442	41,952,519
At 30 June 2024 (Consolidated)					
Cost	122,116	3,156,869	232,742	-	3,511,727
Accumulated depreciation and impairment	(97,744)	(3,112,718)	(136,785)	-	(3,347,247)
Net carrying amount	24,372	44,151	95,957	-	164,480
Year ended 30 June 2024 (Consolidated)					
At 1 July 2023, net of accumulated depreciation	3,797	-	-	-	3,797
Acquisition of Lotus Marula Pty Ltd	20,044	31,043	130,987	-	182,074
Additions	12,074	1,428,157	-	-	1,440,231
Depreciation charge for the financial year	(2,740)	-	-	-	(2,740)
Depreciation capitalised to exploration and evaluation assets	(3,690)	(5,265)	(31,250)	-	(40,205)
Impairment charge for the financial year	(8,404)	(1,415,527)	-	-	(1,423,931)
Foreign exchange movements	3,291	5,743	(3,780)	-	5,254
At 30 June 2024, net of accumulated depreciation	24,372	44,151	95,957	-	164,480

Notes to the Financial Statements

9. PLANT AND EQUIPMENT (continued)

Recognition and measurement

Items of plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset.

Subsequent costs

The cost of replacing part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of day-to-day servicing of plant and equipment are recognised in profit or loss as incurred.

Depreciation

Items of plant and equipment are depreciated using the straight-line method over their estimated useful lives of each part of an item of plant and equipment. The useful lives for each class of asset for the current period are as follows:

- Motor vehicles 5 years
- Furniture and fixtures 3–5 years
- Mine plant and equipment 9 years

Depreciation method, useful lives and residual values are reassessed at the reporting date.

Derecognition

An item of plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

10. EXPLORATION AND EVALUATION ASSETS

	Consolidated 2025 \$	Consolidated 2024 \$
Exploration and evaluation expenditure carried forward in respect of areas of interest (net of amounts written off)	124,039,288	118,178,228
Reconciliation		
Carrying amount – 1 July	118,178,228	39,532,314
Acquisition of Lotus Marula Group	-	88,607,578
Exploration and evaluation expenditures	3,655,442	5,302,666
Provision for impairment	(36,073)	(13,509,366)
Change in estimates provision for rehabilitation and closure costs (note 15)	(42,784)	(246,782)
Movement in exchange rates	2,284,475	(1,508,182)
Carrying amount – 30 June	124,039,288	118,178,228



Notes to the Financial Statements

10. EXPLORATION AND EVALUATION ASSETS (continued)

Exploration and evaluation assets

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full and charged to profit or loss in the financial year in which the decision to abandon the area is made. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

As a result of the previously recorded impairment upon placing the Kayelekera mine on care and maintenance, any new exploration and evaluation expenditures are impaired and charged to profit or loss. No impairment has been recognised in relation to the Letlhakane Project from the acquisition date in November 2023.

Due to the withdrawal of the Group from the Joint Venture Agreement, Wilconi Pty Ltd ceased its operations effective May 2024 and the exploration and evaluation asset of \$10,447,397 relevant to Wilconi's Nickel-Cobalt Project was fully impaired as at 30 June 2025. The provision for impairment includes exploration costs recorded as exploration and evaluation expenses in the profit or loss of \$36,073 (2024: \$13,509,366).

11. OTHER FINANCIAL ASSET

	Consolidated 2025 \$	Consolidated 2024 \$
Security deposit	15,310,489	14,999,903

Security Deposit

Security deposit consists of a collateral deposit provided by subsidiary Lotus (Africa) Limited to support a bond issued for rehabilitation obligations of the Kayelekera Uranium Project in Malawi in the amount of US\$10,000,000 (2024: US\$10,000,000). The security for environmental protection, rehabilitation and closure costs has been provided in the form required by the relevant Malawian authorities. The bond was transferred to the Group as part of the Kayelekera Uranium Project acquisition in 2020.

Notes to the Financial Statements

12. TRADE AND OTHER PAYABLES

	Consolidated 2025 \$	Consolidated 2024 \$
Trade payables	704,278	1,177,188
Other payables and accruals	3,526,711	1,910,368
	<u>4,230,989</u>	<u>3,087,556</u>

Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

The Group's exposure to liquidity risk related to trade and other payables are disclosed in note 20.

13. PROVISIONS – CURRENT

	Consolidated 2025 \$	Consolidated 2024 \$
Annual leave provision	242,965	111,048
Termination benefits provision	-	24,948
	<u>242,965</u>	<u>135,996</u>

Provisions

Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.



Notes to the Financial Statements

13. PROVISIONS – CURRENT (continued)

Other long-term employee benefits

The liability for annual leave and long service leave (refer to note 15) not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Termination benefits

Termination benefits are expensed at the earlier of when the consolidated entity can no longer withdraw the offer of those benefits. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

Defined contribution superannuation

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as part of corporate and administrative expenses in profit or loss in the year during which related services are rendered by employees.

14. LEASE LIABILITIES

Group as a Lessee

The Group has entered into lease agreements for office properties located in Perth and Botswana. The lease term for the Perth office is five (5) years, while the Botswana office lease has a term of three (3) years. Both leases include options to renew upon expiry.

Set out below are the carrying amounts of the right-of-use assets recognised and the movements during the period:

	Consolidated 2025 \$	Consolidated 2024 \$
Right-of-use Assets		
At the beginning of the year	-	-
Additions	492,928	-
Depreciation charge for the year	(26,670)	-
Closing balance – 30 June	466,258	-

Notes to the Financial Statements

14. LEASE LIABILITIES (continued)

	Consolidated 2025 \$	Consolidated 2024 \$
Lease liabilities		
At the beginning of the year	-	-
Additions	492,928	-
Accretion of interest	7,821	-
Payments	(45,292)	-
Closing balance – 30 June	455,457	-
Current	103,457	-
Non-current	352,000	-
Total	455,457	-

15. PROVISIONS – NON-CURRENT

	Consolidated 2025 \$	Consolidated 2024 \$
Rehabilitation and closure provision	38,915,305	38,167,789
Long-service leave	62,147	34,711
	38,977,452	38,202,500
Reconciliation – Rehabilitation and closure provision		
Opening balance – 1 July	38,167,789	37,257,958
Decrease in provision for closure cost	(42,784)	(246,782)
Accretion of interest	-	1,309,702
Foreign currency movements	790,300	(153,089)
Closing balance – 30 June	38,915,305	38,167,789



Notes to the Financial Statements

15. PROVISIONS – NON-CURRENT (continued)

Rehabilitation and closure provision

The Group has obligations to dismantle and remove certain items of property, plant and equipment and to restore and rehabilitate the land on which they sit. Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

A provision is raised for the estimated cost of settling the rehabilitation and restoration obligations existing at reporting date, discounted to present value using an appropriate pre-tax discount rate. Where the obligation is related to an item of property, plant and equipment, its cost includes the present value of the estimated costs of dismantling and removing the asset and restoring the site on which it is located. Costs that relate to obligations arising from waste created by the production process are recognised as production costs in the period in which they arise.

The provisions are reassessed at least annually. A change in any of the assumptions used to determine the provisions could have a material impact on the carrying value of the provision.

As part of the planning for the intended restart of operations at the Kayelekera mine a closure cost estimate was prepared in the previous financial year. The cost estimate was prepared by expert consultants considering the closure and rehabilitation costs of the Kayelekera mine using the base case mine design and mine plan detailed in the DFS, and management's estimate of the likely timing of the expenditures. Similarly with the previous financial year, the cost estimate was inflated using long-term inflation rates applicable to the expected currency denomination that the outflows are expected to be influenced by. The future value was then discounted to present value using the long-term risk-free rate that best matched the currency and timing of the expected outflows.

The resulting adjustment to the provision was adjusted against the related exploration and evaluation asset.

The Company also has in place a cash backed environmental performance bond of \$15,310,489 (2024: \$14,999,903) or US\$10,000,000 as outlined in note 11. The bond is restricted cash to cover closure and rehabilitation costs of the project. The bond is the minimum amount required to be maintained in accordance with the terms of the Mine Development Agreement for the Kayelekera Uranium Project and relevant local regulations.

Notes to the Financial Statements

16. CONTRIBUTED EQUITY

	Consolidated 2025 \$	Consolidated 2024 \$
Fully paid ordinary shares	391,398,796	263,785,659

	2025 Number of Shares	2024 Number of Shares	2025 \$	2024 \$
Movements during the year:				
Opening balance – 1 July	1,831,216,106	1,343,982,044	263,785,659	143,537,936
Issue of shares – acquisition of Lotus Marula Group	-	361,722,889	-	88,622,108
Issue of shares – capital raising	529,064,000	100,000,000	132,266,000	30,000,000
Shares issued to acquiree financial advisor in lieu of fees	-	3,274,294	-	802,201
Exercise of options by shareholders	-	10,000,000	-	550,000
Shares issued to employees upon exercise of options	8,971,809	12,236,879	2,437,700	2,101,230
Shares issued for staff bonus (ex A-Cap Energy Staff)	605,093	-	124,043	-
Share issue costs	-	-	(7,214,606)	(1,827,816)
Closing balance – 30 June	2,369,857,008	1,831,216,106	391,398,796	263,785,659

Ordinary shares

Ordinary shares are classified as equity. Ordinary shares entitle the holder to participate in dividends and the proceeds from winding up of the Company in proportion to the number and amounts paid on the shares held.

On a show of hands every holder of ordinary securities present at a shareholder meeting in person or by proxy is, entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.



Notes to the Financial Statements

17. RESERVES AND NON-CONTROLLING INTEREST

	Consolidated 2025 \$	Consolidated 2024 \$
Share-based payment reserve	5,095,946	3,175,819
Capital reserve	(34,945,960)	(34,945,960)
Foreign currency reserve	(5,897,740)	(911,542)
	<u>(35,747,754)</u>	<u>(32,681,683)</u>
Movement in reserves:		
<i>Share based payment reserve</i>		
Opening balance – 1 July	3,175,819	2,995,081
Share-based payment expense	4,490,957	2,359,415
Transferred to share capital from exercise of options	(2,437,700)	(2,101,230)
Transferred to accumulated losses upon expiry of options	(133,130)	(77,447)
Closing balance – 30 June	<u>5,095,946</u>	<u>3,175,819</u>
<i>Capital reserve</i>		
Opening and closing balance	<u>(34,945,960)</u>	<u>(34,945,960)</u>
<i>Foreign exchange reserve</i>		
Opening balance – 1 July	(911,542)	373,178
Foreign exchange differences on translation of foreign operations	(4,986,198)	(1,284,720)
Closing balance – 30 June	<u>(5,897,740)</u>	<u>(911,542)</u>
<i>Non-controlling interest</i>		
Opening balance – 1 July	(2,412,797)	(1,409,047)
Loss after income tax and other comprehensive loss	(2,786,742)	(1,003,750)
Reclassification of historical allocation of NCI and accumulated losses	3,411,517	-
Closing balance – 30 June	<u>(1,788,022)</u>	<u>(2,412,797)</u>
Movement in options:	Number	Number
Opening balance – 1 July	31,107,999	31,131,780
Granted	18,409,647	23,895,506
Exercised	(8,971,810)	(22,236,879)
Lapsed	-	-
Cancelled/Forfeited	(5,669,303)	(1,682,408)
Closing balance – 30 June	<u>34,876,533</u>	<u>31,107,999</u>
Weighted average exercise price of outstanding options (Cents)	6.88	3.86
Weighted average remaining life of outstanding options (Years)	<u>2.27</u>	<u>2.99</u>

Notes to the Financial Statements

17. RESERVES AND NON-CONTROLLING INTEREST (continued)

Share-based payments reserve

This reserve is used to record the value of equity-settled share-based payments provided to employees and directors as part of their remuneration.

Capital reserve

This reserve is used to record the value of equity instruments issued to a non-controlling interest as part of the acquisition of an additional 20% interest in the Kayelekera Uranium Mine on 30 July 2021.

Option lapsed

No options lapsed during the year (2024: nil).

Option cancelled and forfeited

5,669,303 options were cancelled or forfeited during the year (2024: 1,682,408).

Foreign currency translation reserve

The foreign currency translation reserve records exchange rate differences on translating foreign operations.

18. ACCUMULATED LOSSES

	Consolidated 2025 \$	Consolidated 2024 \$
Balance - 1 July	(101,296,301)	(76,866,298)
Loss for the financial year	(13,760,170)	(24,507,450)
Reclassification of historical allocation of NCI and accumulated losses	(3,411,517)	-
Transfer from share-based payments reserve – expiry of options	133,130	77,447
Closing balance – 30 June	(118,334,858)	(101,296,301)

19. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial report. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors it believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

19. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Share-based payments transactions

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using an appropriate valuation model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Exploration and evaluation costs

Exploration and evaluation costs have been capitalised on the basis that the consolidated entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or disposal of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written-off in the period in which this determination is made.

Rehabilitation provision

A provision has been made for the present value of anticipated costs for future rehabilitation of land explored or mined. The consolidated entity's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. The consolidated entity recognises management's best estimate for assets' retirement obligations and site rehabilitations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations could affect the carrying amount of this provision.

20. FINANCIAL RISK MANAGEMENT

Overview

The Group has exposure to the following risks from their use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Group's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital. There has been no change from the prior year in relation to all of the exposures.

20. FINANCIAL RISK MANAGEMENT (continued)

Overview (continued)

The Group's risk management framework is supported by the Board and management. The Board is responsible for approving and reviewing the Group's risk management strategy and policy. Management is responsible for monitoring that appropriate processes and controls are in place to effectively and efficiently manage risk. The Board is responsible for identifying, monitoring and managing significant business risks faced by the Group and considering the effectiveness of its internal control system.

The Board has established an overall Risk Management Policy which sets out the Group's system of risk oversight, management of material business risks and internal control.

Financial risk management objectives

The overall financial risk management strategy focuses on the unpredictability of the finance markets and seeks to minimise the potential adverse effects on financial performance and protect future financial security.

Credit risk

Credit risk is the risk of financial loss to the Group if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's cash and cash equivalents. For the Company, it arises from receivables due from subsidiaries.

The Group does not hold any credit derivatives to offset its credit exposure.

Exposure to credit risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	Carrying Amount	
	Consolidated 2025 \$	Consolidated 2024 \$
Cash and cash equivalents	54,092,246	34,125,776
Other assets (excluding prepayments, GST receivables)	21,841,538	331,169
	<u>75,933,784</u>	<u>34,456,945</u>

Liquidity risk

Liquidity risk arises from the financial liabilities of the Group and the Group's subsequent ability to meet their obligations to repay their financial liabilities as and when they fall due.

Ultimate responsibility for liquidity risk management rests with the Board of Directors. The Board has determined an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and continuously monitoring budgeted and actual cash flows and matching the maturity profiles of financial assets, expenditure commitments and liabilities.



Notes to the Financial Statements

20. FINANCIAL RISK MANAGEMENT (continued)

Liquidity risk(continued)

The following are the contractual maturities of financial liabilities on an undiscounted basis, including estimated interest payments. Cash flows for assets and liabilities without fixed amount or timing are based on conditions existing at year end.

	Carrying amount	Contractual cash flows	1 year	2-5 years	>5 years
Consolidated - 2025					
Financial Liabilities					
Trade and other payables	(4,230,989)	(4,230,989)	(4,230,989)	-	-
	(4,230,989)	(4,230,989)	(4,230,989)	-	-
Consolidated - 2024					
Financial Liabilities					
Trade and other payables	(3,087,556)	(3,087,556)	(3,087,556)	-	-
	(3,087,556)	(3,087,556)	(3,087,556)	-	-

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising return.

Foreign currency risk

The Group is exposed to fluctuations in foreign currencies arising from costs incurred in currencies other than the functional currency of the Company and the Group entities.

The Group operates internationally and is primarily exposed to foreign exchange risk arising from currency exposures to the United States dollar, Malawi Kwacha and Botswana Pula.

Interest rate risk

The Group's exposure to interest rates primarily relates to the Group's cash and cash equivalents and held to maturity investments. The Group manages market risk by monitoring levels of exposure to interest rate risk and assessing market forecasts for interest rates.

At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments was:

	Carrying Amount	
	Consolidated 2025 \$	Consolidated 2024 \$
Variable rate instruments		
Financial assets	13,698,520	49,125,679

The Group's variable rate instruments comprise the cash and cash equivalents and security deposit.

Notes to the Financial Statements

20. FINANCIAL RISK MANAGEMENT (continued)

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis points in interest rates at reporting date would have increased/ (decreased) equity and profit or loss by the amounts shown below. The Board assessed a 100-basis point movement as being reasonably possible based on short-term historical movements. This analysis assumes that all other variables remain constant. The analysis is performed on the same basis for 2024.

	+100 basis points		-100 basis points	
	Profit \$	Equity \$	Profit \$	Equity \$
Consolidated 2025				
Financial instruments with variable interest rate				
Financial assets	136,985	136,985	(136,985)	(136,985)
Consolidated 2024				
Financial instruments with variable interest rate				
Financial assets	491,257	491,257	(491,257)	(491,257)

The weighted average effective interest rate on variable rate instruments was 5.09% (2024: 4.77%).

Fair value measurements

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

The Directors consider that the carrying amounts of financial assets and financial liabilities recorded in the financial statements approximate their fair values.



21. CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are to safeguard the ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may return capital to shareholders, pay dividends to shareholders, issue new shares or sell assets.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

22. SHARE BASED PAYMENTS

Share-based payment accounting policy

Equity-settled and cash-settled share-based compensation benefits are provided to Key Management Personnel and employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying an appropriate valuation model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

During the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.

From the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

An award with a service-related condition requires the counterparty to complete a specified period of services. The fair value at grant date is trued up for failure to satisfy the condition. The service condition is considered not met if the counterparty receiving an award, regardless of reason ceases to provide the service during the vesting period and the Board does not exercise its discretion otherwise. If the Group terminates the services of an employee and prevents the required service from being provided, then such termination is accounted for as a forfeiture.

22. SHARE BASED PAYMENTS (continued)

Share-based payment accounting policy (continued)

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Share-based payment transactions

Share based compensation benefits are provided to employees via the Group's incentive plans. The incentive plans consist of short term and long-term incentive plans for Executive Directors, other Executives and senior management and the short-term incentive plan for all other employees. The equity instruments used for the Group incentive plans are zero exercise priced options. Information relating to these plans is set out in the Remuneration Report and below.

The following tables illustrate the number and weighted average fair value of, and movements in, options relating to share-based payments during the financial year

	2025	
	Options No.	Weighted average fair value
Balance - 1 July	31,107,999	\$0.259
Granted during the financial year	18,409,647	\$0.203
Vested and exercised during the financial year	(8,971,810)	\$0.266
Cancelled or expired during the financial year	(5,669,303)	\$0.218
Closing balance - 30 June	34,876,533	\$0.203



Notes to the Financial Statements

22. SHARE BASED PAYMENTS (continued)

Share-based payment transactions(continued)

	2024	
	Options No.	Weighted average fair value
Balance - 1 July	31,131,780	\$0.199
Granted during the financial year	23,895,506	\$0.259
Vested and exercised during the financial year	(22,236,879)	\$0.172
Cancelled or expired during the financial year	(1,682,408)	\$0.228
Closing balance - 30 June	31,107,999	\$0.259

	Consolidated 2025 \$	Consolidated 2024 \$
Share based payments expense	4,615,000	3,161,616

Below are options granted by the Company during the financial year where the vesting criteria did not contain any market conditions. The Black-Scholes-Merton model was used to determine the estimated fair value of those options.

Options Number	Incentive Scheme	Grant date	Expiry date	Exercise Price	Spot Price at Grant Date	Dividend Yield	Risk-free Interest Rate	Fair Value at Grant Date
2,000,000	Onboarding	21/08/2024	22/08/2027	\$0.30 each	\$0.235	Nil	3.526%	\$0.113
2,000,000	Onboarding	12/11/2024	08/10/2027	\$0.30 each	\$0.230	Nil	3.790%	\$0.108
3,160,272	FY2025 STI	23/01/2025	30/06/2027	\$0.00 each	\$0.250	Nil	3.912%	\$0.250
535,814	Service	12/03/2025	30/09/2026	\$0.00 each	\$0.170	Nil	3.754%	\$0.170
190,321	FY2025 STI	19/03/2025	30/06/2027	\$0.00 each	\$0.185	Nil	3.912%	\$0.185

The pre-determined performance conditions relating to the above options include:

- Onboarding and Service incentive schemes have a continuous service period condition only (e.g. 1 year);
- FY2025 STI have the following performance conditions:
 - 25% weighted to safety and environment performance conditions;
 - 25% weighted to operational readiness conditions;
 - 50% weighted to Kayelekera project restart conditions, including timing of ore being crushed (25% weight) and cost performance against budget (25% weight); and
 - a continuous service condition until vesting, unless a "good leaver" exemption applies.

Notes to the Financial Statements

22. SHARE BASED PAYMENTS (continued)

Share-based payment accounting policy (continued)

Below are options granted during the financial year that had market based vesting criteria related to performance against a peer group. The ESO5 option valuation model was applied to options under the commencement incentive scheme, while the 4A Hybrid (Relative TSR) and 2 Hybrid (Absolute TSR) ESO models were used for the FY2025-27 LTI Options.

Options Number	Incentive Scheme	Grant date	Expiry date	Exercise Price	Spot Price at Grant Date	Dividend Yield	Risk-free Interest Rate	Fair Value at Grant Date
3,000,000	Commencement	30/08/2024	08/08/2027	\$0.00 each	\$0.230	Nil	3.540%	\$0.053
3,000,000	Commencement	30/08/2024	08/08/2027	\$0.00 each	\$0.230	Nil	3.540%	\$0.076
4,302,274	FY2025-27 LTI	23/01/2025	30/06/2029	\$0.00 each	\$0.250	Nil	3.940%	\$0.162
220,966	FY2025-27 LTI	19/03/2025	30/06/2029	\$0.00 each	\$0.250	Nil	3.940%	\$0.162

The pre-determined performance conditions relating to the above options include:

- Commencement incentive scheme has a requirement for a continuous service period (being 1 year for the first 3 million options and 2 years for the second 3 million options) and the Company's share price meets a threshold for 5 consecutive days, being \$0.35 for the first 3 million options and \$0.45 for the second 3 million options;
- FY2025 LTI incentive scheme has the following performance conditions:
 - 50% weighted to the Company's absolute total shareholder return;
 - 50% weighted to the Company's relative total shareholder return to a specified list of uranium peers; and
 - a continuous service condition until vesting, unless a "good leaver" exemption applies.

Below are options granted during the previous financial year where the vesting criteria did not contain any market conditions. The Black-Scholes-Merton model was used to determine the estimated fair value of those options.

Options Number	Grant date	Expiry date	Exercise Price	Spot Price at Grant Date	Dividend Yield	Risk-free Interest Rate	Fair Value at Grant Date
46,060	30/10/2023	31/10/2025	\$0.00 each	\$0.220	Nil	3.870%	\$0.220
1,961,529	30/10/2023	31/10/2026	\$0.00 each	\$0.220	Nil	3.870%	\$0.220
1,266,661	30/10/2023	31/10/2028	\$0.00 each	\$0.220	Nil	3.870%	\$0.220
1,156,757	28/11/2023	31/10/2026	\$0.00 each	\$0.280	Nil	3.870%	\$0.280
1,098,919	28/11/2023	31/10/2028	\$0.00 each	\$0.280	Nil	3.870%	\$0.280
4,000,000	20/05/2024	19/05/2027	\$0.30 each	\$0.475	Nil	4.110%	\$0.263



Notes to the Financial Statements

22. SHARE BASED PAYMENTS (continued)

Share-based payment transactions(continued)

Below are options granted during the previous financial year that had market based vesting criteria related to performance against a per group. A Monte-Carlo simulation was performed to estimate the fair value.

Options Number	Grant date	Expiry date	Exercise Price	Spot Price at Grant Date	Dividend Yield	Risk-free Interest Rate	Fair Value at Grant Date
1,266,661	30/10/2023	31/10/2028	\$0.00 each	\$0.220	Nil	3.870%	\$0.154
1,098,919	28/11/2023	31/10/2028	\$0.00 each	\$0.280	Nil	3.870%	\$0.215

23. AUDITOR'S REMUNERATION

The following amounts were paid or payable for services provided by the auditors of the Group and its related practices.

	Consolidated 2025 \$	Consolidated 2024 \$
Amounts to RSM (Australia)		
Audit and review of the financial statements of the Group	78,000	69,000
Amounts to Ernst and Young (Australia)		
Non-audit services	173,940	-
Amounts to Ernst and Young (overseas firms)		
Audit of the financial statements of local statutory accounts	24,395	23,850
Amounts to Grant Thornton (overseas firms)		
Audit of the financial statements of local statutory accounts	6,027	7,867
	<u>282,362</u>	<u>100,717</u>

24. RELATED PARTY DISCLOSURES

(a) Ultimate parent

Lotus Resources Limited is the ultimate Australian entity.

(b) Subsidiaries

Interests in subsidiaries are set out in note 30.

Notes to the Financial Statements

24. RELATED PARTY DISCLOSURES (continued)

(c) Key management personnel compensation

The aggregate compensation made to directors and other members of key management personnel of the Group is set out below:

	Consolidated 2025 \$	Consolidated 2024 \$
Short-term employee benefits	2,320,081	1,014,444
Post-employment benefits	173,649	81,853
Share-based payments	3,929,958	2,288,002
	<u>6,423,688</u>	<u>3,384,299</u>

(d) Loans to related parties

No loans were advanced to related parties during the reporting year (2024: Nil).

(e) Amounts owed to related parties

As at the reporting date, \$22,046 were owing to related parties (2024: \$101,694) as disclosed in detail below.

(f) Other key management personnel transactions with the Group

Mr Michael Bowen, who is a Non-Executive Director of the Company is a Partner of national law firm Thompson Geer Lawyers (**Thomson Geer**). The Company used Thompson Geer for general legal services and also transactional support. The services provided by Thompson Geer were performed on an arm's length basis and on normal commercial terms. During the financial year, the Company incurred costs under this arrangement totalling \$34,682 which predominately related to matters which the firm had prior knowledge of the Company or specific expertise (2024: \$290,037). There was no balance owing to Thompson Geer as at 30 June 2025 in relation to the provision of services (2024: Nil).

Mr Grant Davey, who was a Non-Executive Director of the Company until 9 August 2024 at which time he transitioned to Executive Director until 31 March 2025, is also a Director and a shareholder of Matador Capital Pty Ltd (**Matador Capital**). The Company made payments to Matador Capital under a Shared Services Agreement in which Matador Capital provided office space, general office services, bookkeeping services, company secretarial services, ESG consulting services, corporate development and investor relations services and technical exploration and geological staff to the Company at cost plus 5%. During the year, the Company incurred costs under this arrangement totalling \$1,156,457 (2024: \$814,482). These services provided by Matador Capital were at an arm's length basis and on normal commercial terms. There was a balance of \$22,046 (2024: \$71,662) owing to Matador Capital as at 30 June 2025 in relation to the provision of services. The Company notes that it has transitioned away from the office sharing and cost sharing arrangements with Matador effective from 1 July 2025, except for the sharing of project management expertise of Kayelekera Project Director Mr Warren King, which is important for the continuity of Kayelekera's restart.



24. RELATED PARTY DISCLOSURES (continued)

(f) Other key management personnel transactions with the Group (continued)

Ms Dixie Marshall, who was a Non-Executive Director of the Company until 4 June 2025, is a Director at advertising company Marketforce. The Company incurred costs with Marketforce totalling \$1,280 on arm's length normal commercial terms for ongoing website re-design and development for which it was considered that the selection of Marketforce provided certain efficiencies as a result of the knowledge of the Company's business provided by Ms Marshall (2024: \$36,236). There was no balance owing to Marketforce as at 30 June 2025 (2024: \$22,865) in relation to the provision of those services.

There were no other related party transactions with key management personnel during the year, including loans to any key management personnel.

25. COMMITMENTS

Commitments for tenement rentals and expenditure commitments due within one year amounted to \$7,588,039 (2024: \$5,519,000). The expenditure commitments at 30 June 2025 predominately comprise purchase orders issued for the Kayelekera restart involving significant capital expenditures to refurbish and upgrade processing facilities, camp infrastructure, mining equipment, and supporting utilities. This also includes contractual commitments relating to the Letlhakane drilling program in progress in Botswana.

The Company's 85% owned subsidiary, Lotus (Africa) Limited (LAL), has firm commitments for the delivery of 3.5 million pounds of uranium concentrate over the four period 2026 to 2029 (inclusive) with four counterparties (PSEG Nuclear LLC, Curzon Uranium Limited and two North American power utilities) in connection with signed offtake contracts. All offtake contracts entered into have a fixed US dollar price based on the published long-term prices of leading nuclear market research and analysis companies (the long term price was approximately US\$80 per pound at the time of signing), less a non-material discount, and with a fixed price escalation commencing from first delivery in line with the Reserve Bank of Australia long term inflation target. If Lotus (Africa) Limited fails to deliver uranium concentrate under the offtake agreements (except in limited force majeure circumstances), LAL at the election of the counterparty may be required to:

- source the uranium concentrate from another source at its cost; or
- pay to the counterparty the difference between the price purchased by the counterparty for the non-delivered uranium concentrate and the price required to be paid by the counterparty to LAL.

26. EARNINGS PER SHARE

	Consolidated 2025 \$	Consolidated 2024 \$
Reconciliation of earnings to profit or loss:		
Loss attributable to owners of the Company	(13,760,170)	(24,507,450)
Loss after income tax used for basic and dilutive loss per share	(13,760,170)	(24,507,450)
Weighted average number of ordinary shares outstanding during the financial year used in calculating basic and dilutive loss per share	2,155,048,460	1,593,355,318

Basic earnings per share

Basic earnings per share are calculated by dividing the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.



Notes to the Financial Statements

27. RECONCILIATION OF CASH FLOWS USED IN OPERATING ACTIVITIES

	Consolidated 2025 \$	Consolidated 2024 \$
Cash flows from operating activities		
Loss after income tax	(15,583,795)	(25,243,725)
Adjustments for:		
Depreciation expense	477,008	2,740
Share based payments	4,615,000	3,161,616
Provision for rehabilitation - accretion of interest	-	1,309,702
Foreign currency translation difference	-	(18,104)
Impairment charges	100,460	11,871,328
Adjusted operating loss before changes in working capital	(10,391,327)	(8,916,443)
Change in other current assets, including inventories	(1,068,992)	145,169
Change in trade and other payables	1,143,434	1,443,563
Net cash used in operating activities	(10,316,885)	(7,327,711)

28. CONTINGENT LIABILITIES

Kayelekera Uranium Project

As at 30 June 2025, the Company had three agreements providing royalty payments to local government and former owners for production from the Kayelekera Uranium Project. Royalties payable on production comprise an uncapped royalty on revenue to the Malawi Government of 5.00%, a 3.50% royalty on revenue capped at \$5,000,000 to Paladin Energy Limited and an uncapped 0.75% royalty on revenue to Power Resources Inc, a subsidiary of Cameco Corporation, which steps up to 1.25% once all capital is repaid. Liability to make royalty payments only arises upon the restart of production from Kayelekera.

The Company also has in place a US\$10,000,000 cash-backed environmental performance bond of \$15,310,489 (2024: \$14,999,903) as outlined in note 11. The bond is restricted cash to cover closure and rehabilitation costs of the project. The bond is the minimum amount required to be maintained in accordance with the terms of the Mine Development Agreement for the Kayelekera Uranium Project and relevant local regulations.

Letlhakane Uranium Project

As required under the Mines and Minerals Act of Botswana to enable the grant of a mining licence, Lotus Marula Pty Ltd (or referred to as "**Lotus Marula**" and formerly A-Cap Energy Limited) provided a parent company guarantee for wholly owned subsidiary Lotus Marula Botswana Proprietary Limited (formerly A-Cap Resources Botswana Pty Ltd) (**A-Cap Botswana**), the holder of the Letlhakane Uranium Project, for the performance of A-Cap Botswana's obligations under the mining licence and Mines and Minerals Act of Botswana. The guarantee was provided on 14 August 2015 and will remain in place for the duration of the mining licence.

Notes to the Financial Statements

29. ACQUISITION OF LOTUS MARULA PTY LTD (FORMERLY A-CAP ENERGY LIMITED)

On 13 July 2023, the Company announced that it had agreed to merge with A-Cap via a scheme of arrangement (Scheme) under which the Company would acquire all of the A-Cap shares on issue (**the Acquisition**).

On 12 July 2023, prior to the merger announcement, the Company and A-Cap entered into a Scheme Implementation Deed (**SID**). The SID stipulated that the Company shall acquire all of the A-Cap shares (**the Share Scheme**) and A-Cap Listed Options (**the Option Scheme**) subject to the terms and conditions to be executed by the respective party/parties as outlined in the Scheme.

Both the Share Scheme and Option Scheme were approved by the A-Cap Shareholders on 20 October 2023 with the final Federal Court approval provided on 26 October 2023. The Acquisition was completed on 7 November 2023 (**the Implementation Date**).

A-Cap is an ASX-listed company incorporated in Australia. The subsidiaries of A-Cap at the Implementation Date were as follows:

Entity	Country of incorporation	Equity Holding	Immediate holding company
Lotus Marula Botswana Proprietary Limited**	Botswana	100%	Lotus Marula Pty Ltd*
Pulse Resources Botswana (Pty) Ltd	Botswana	100%	Lotus Marula Botswana Pty Ltd
Wilconi Pty Ltd	Australia	100%	Lotus Marula Pty Ltd*

*Formerly A-Cap Energy Limited

**Formerly A-Cap Resources Botswana Proprietary Limited

The issued A-Cap securities and the equivalent Lotus shares were as follows:

	Number of A-Cap Shares/Options	Lotus Shares Issued
Description		
Share on issue	1,272,050,471	359,336,331
Unlisted options	54,000,000	2,294,445
Listed options	46,039,445	92,113
Total	1,372,089,916	361,722,889

The Acquisition was finalised for an offer price of approximately \$0.0521 per A-Cap Share, representing a premium of 21% to the closing A-Cap Share price on 11 July 2023 of \$0.043 (being the last trading day for A-Cap Shares and Lotus Shares prior to the announcement). Wilconi was subsequently deregistered as a Company on 28 April 2025.

Upon implementation of the Share Scheme, the Company's shareholders held approximately 79% of the merged Group and A-Cap shareholders held approximately 21%.

Notes to the Financial Statements

29. ACQUISITION OF LOTUS MARULA PTY LTD (FORMERLY A-CAP ENERGY LIMITED) (continued)

The fair value of the net assets acquired and liabilities assumed upon the Implementation Date were summarised below:

	7 November 2023 \$
Fair value of Lotus shares (361,722,889 shares at \$0.245 cents per share)	88,622,108
Transaction costs	896,894
	89,519,002
Identifiable fair value of net assets of A-Cap acquired:	
Cash and cash equivalents	1,237,533
Trade and other receivables	148,657
Property, plant and equipment	182,074
Exploration and evaluation assets	88,607,578
Trade and other payables	(574,844)
Provisions	(81,996)
	89,519,002

Management assessed that A-Cap had limited assets and no business inputs, processes, and outputs. As a result, the Acquisition was accounted for as an asset acquisition.

For the eight months ended 30 June 2025, A-Cap's net losses of \$10,464,994 (including the \$10,447,397 impairment losses of exploration and evaluation assets of Wilconi Pty Ltd) were incorporated to the Group's results.

30. INTEREST IN SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Name	Country of incorporation	Ownership Interest 2025 %	Ownership Interest 2024 %
Providence Metals Pty Ltd ¹	Australia	0%	100%
Lily Resources Pty Ltd	Australia	100%	100%
Lotus Marula Pty Ltd ²	Australia	100%	100%
Wilconi Pty Ltd ³	Australia	0%	100%
Lotus (Africa) Limited	Malawi	85%	85%
Lotus Marula Botswana Proprietary Limited ⁴	Botswana	100%	100%
Pulse Resources Pty Ltd ⁵	Botswana	0%	100%

¹ Providence Metals Pty Ltd was voluntarily deregistered on 5 September 2024

² Formerly A-Cap Energy Limited

³ Wilconi Pty Ltd was voluntarily deregistered on 28 April 2025

⁴ Formerly A-Cap Resources Botswana Proprietary Limited

⁵ Pulse Resources Pty Ltd was voluntarily deregistered on 13 March 2025

Notes to the Financial Statements

30. INTEREST IN SUBSIDIARIES (continued)

As discussed in note 29, Lotus Marula Pty Ltd, Wilconi Pty Ltd and Lotus Marula Botswana Proprietary Limited are the entities within A-Cap Group which the Company acquired effective 7 November 2023. The results of operations for the eight months ended 30 June 2025 of the aforementioned entities were consolidated with the Group.

Summarised financial information

Summarised financial information of the subsidiary with non-controlling interest that are material to the consolidated entity are set out as below:

	Lotus (Africa) Limited	
	2025 \$	2024 \$
Statement of profit or loss and other comprehensive income		
Revenue	-	-
Expenses	(18,435,166)	(4,885,619)
Loss before income tax	(18,435,166)	(4,885,619)
Tax expense	(119,347)	(22,881)
Loss after income tax	(18,554,513)	(4,908,500)
Other comprehensive income	(6,420,780)	(1,783,167)
Total comprehensive income	(24,975,293)	(6,691,667)
Statement of financial position		
Current assets	24,798,841	602,444
Non-current assets	136,246,338	81,986,658
Total assets	161,045,179	82,589,102
Current liabilities	(8,040,064)	(362,633)
Non-current liabilities	(164,925,265)	(69,171,327)
Total liabilities	(172,965,329)	(69,533,960)
Net assets/(liabilities)	(11,920,150)	13,055,142
Other information		
Loss attributable to non-controlling interest	1,823,625	736,275
Accumulated non-controlling interest at the end of reporting period	1,788,022	2,412,797



Notes to the Financial Statements

31. PARENT ENTITY DISCLOSURES

Set out below is the supplementary information about the parent entity.

	2025 \$	2024 \$
Statement of profit or loss and other comprehensive income		
Loss after income tax	(25,380,967)	(15,005,828)
Total comprehensive loss	(25,380,967)	(15,005,828)
Statement of financial position		
Total current assets	76,597,301	34,323,913
Total assets	226,696,220	122,947,825
Total current liabilities	(585,075)	(2,095,186)
Total liabilities	(875,630)	(2,095,186)
Net assets	225,820,590	120,852,639
Equity		
Issued capital	391,398,794	263,785,659
Share-based payments reserve	5,095,946	3,175,819
Foreign currency reserve	682,526	-
Accumulated losses	(171,356,676)	(146,108,839)
Total equity	225,820,590	120,852,639

Guarantees

On 18 March 2025, the Company provided a guarantee in favour of PSEG Nuclear LLC (Buyer) in consideration of, and as an inducement for entering the Contract for the Sale and Purchase of Natural Uranium Concentrates with Lotus (Africa) Limited (Seller). Under the terms of the guarantee, the Company undertakes to assume specified obligations in the event that the Seller fails to meet its contractual commitments which includes failure to deliver the product at specified time to the Buyer.

Parent entity contingency

The directors of the Company are of the opinion that a provision is not required in respect of the success fee relevant to the agreement entered with an external financing consultant as at 30 June 2025, as the key milestones have not been achieved and the amount is not capable of reliable measurement.

Other Commitments and Contingencies

Lotus Resources Limited has no other commitments and contingencies other than as disclosed in notes 25 and 28.

32. EVENTS OCCURRING AFTER THE REPORTING DATE

On 5 August 2025, the Company announced that it had received approval from the Malawi Environmental Protection Authority for the Environmental and Social Impact Assessment (ESIA) for the Kayelekera Uranium Mine, dated 30 July 2025.

On 23 July 2025, the Company announced that Ms Melissa Roberts had been appointed Chief Financial Officer, effective 28 July 2025. On the same date, Mr Hayden Bartrop would resume the title of Chief Commercial Officer and Company Secretary.

On 23 July 2025, the Company announced that it had issued two million fully paid ordinary shares under the Company's Options Plan.

On 31 July 2025, the Company announced that high grade ore processing commenced at Kayelekera as final commissioning had progressed; it was also announced that the Company had signed a US\$8.5 million equipment financing facility with First Capital Bank Plc.

On 1 September 2025, the Company announced that first uranium at Kayelekera had been produced.

On 4 September 2025, the Company announced that it had completed a \$65 million placement (before costs) with the shares to be issued in two tranches. The first tranche of approximately 342,105,264 shares does not need shareholder approval as it is being issued pursuant to Lotus' placement capacity under ASX Listing Rule 7.1. The second tranche of approximately 1,210,526 shares requires shareholder approval for the purposes of ASX Listing Rule 10.11 or 10.14.

There were no other matters or circumstances that have arisen since 30 June 2025 that have significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.



Consolidated Entity Disclosure Statement

The consolidated entity disclosure statement as at 30 June 2025 were as follows:

Name***	Country of Incorporation	Ownership Interest (%)	Tax Residency	Jurisdiction for Foreign Tax Resident
Lotus Resources Limited	Australia	Parent Entity	Australia	N/A
Lily Resources Pty Ltd	Australia	100%	Australia	N/A
Lotus Marula Pty Ltd *	Australia	100%	Australia	N/A
Lotus (Africa) Limited	Malawi	85%	Foreign	Malawi
Lotus Marula Botswana Pty Limited**	Botswana	100%	Foreign	Botswana

*Formerly A-Cap Energy Limited

**Formerly A-Cap Resources Botswana Proprietary Limited

*** All entities are body corporates.

Directors' Declaration

In the directors' opinion:

the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as stated in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statements is true and correct.

The directors have been given the declarations required by section 295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of directors made pursuant to section 295(5) (a) of the *Corporations Act 2001*.

On behalf of the directors



Mr Gregory Bittar
Managing Director

Dated at Perth, Western Australia this 23rd day of September 2025.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LOTUS RESOURCES LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Lotus Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed this matter
Exploration and Evaluation Assets Refer to Note 10 in the financial statements.	
The Group has capitalised exploration and evaluation expenditure with a carrying value of \$124,039,288 as at 30 June 2025. In accordance with <i>AASB 6 – Exploration for and Evaluation of Mineral Resources</i>, the Group is required to assess at each reporting date if any triggers for impairment may suggest the carrying value is in excess of the recoverable value. We considered this to be a key audit matter due to the significant management judgments involved in assessing the carrying value of the asset, including: - Determination of whether the expenditure can be associated with finding specific mineral resources, and the basis on which that expenditure is allocated to an area of interest; - Determination of whether exploration activities have progressed to the stage at which the existence of an economically recoverable mineral reserve may be assessed; and - Assessing whether any indicators of impairment are present, and if so, judgments are applied to determine and quantify any impairment loss.	Our audit procedures included: - Assessing the Group's accounting policy for compliance with Australian Accounting Standards; - Obtaining management reconciliation of capitalised exploration and evaluation expenditure by area of interest and agreeing to the general ledger; - Assessing whether the right to tenure of the area of interest is current; - Testing a sample of additions to supporting documentation and ensuring the amounts capitalised during the year comply with the Group's accounting policy and relate to the area of interest; - Assessing the amount of evaluation expenditure written off during the year; - Assessing and evaluating management's assessment that no indicators of impairment existed for those tenements where the Group has rights of tenure; - Through discussions with the management and reading relevant supporting documentation, assessing management's determination that exploration and evaluation activities have not yet reached a stage where the existence or otherwise of economically recoverable reserves may be reasonably determined; and - Assessing the appropriateness of the related financial statements disclosure.
Provision for mine closure and rehabilitation Refer to Note 15 in the financial statements.	
As at the reporting date, the Group had a provision of \$38,915,305 relating to the estimated future cost of mine closure and rehabilitation. We considered this to be a key audit matter due to the significant management judgments and estimates involved in assessing the provision of asset retirement obligation, including: - Determination of costs to be incurred in future years and its timing; - Complexity involved in the quantification of the provision based on areas disturbed; and - The methodology used to calculate the provision amount to ensure compliance with Australian Accounting Standards.	Our audit procedures included: - Assessing the Group's accounting policy for compliance with Australian Accounting Standards; - Critically assessing development activities during the year to ascertain impact on the area of disturbance; - Testing key inputs such as inflation rate, discount rate and estimated timing of rehabilitation activity; - Assessing the work performed by management's expert, including the competency and objectivity of the expert; - Assessing the mathematical accuracy of the model used to calculate the provision; - Assessing the movement in the provision has been accounted for in accordance with Australian Accounting Standards; and - Assessing the appropriateness of the related financial statements disclosure.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025 but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- b. the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our auditor's report.

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Lotus Resources Limited, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

RSM
RSM AUSTRALIA


ALASDAIR WHYTE
Partner

Perth, WA
Dated: 23 September 2025

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ASX Additional Information

Additional information required by Australian Securities Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 31 August 2025.

The Company has 2 classes of securities, being ordinary fully paid shares and unquoted options.

1. Registered office and principal administrative office

The address of the registered office and principal administrative office
Level 4, 225 St Georges Terrace
Perth, WA, 6000, Australia

2. Register of securities are held at the following address:

Computershare Investor Services Pty Ltd
Level 17, 221 St George's Terrace Perth
Western Australia, 6000

3. Restricted Securities

There are no restricted securities as at 31 August 2025.

4. On-market buy back

There is no current on market buy-back.

5. On-market purchases

No securities were purchased on market for the purposes of an employee incentive scheme or to satisfy the entitlements of Option holders under an employee incentive scheme.

6. Shareholding Information

6.1 Distribution of equity security holders

Ordinary Shares

Category (size of holding)	Total holders	Units	% of Issued Capital
1 - 1,000	1,062	370,018	0.02
1,001 - 5,000	2,147	6,258,035	0.26
5,001 - 10,000	1,236	9,553,177	0.40
10,001 - 50,000	2,411	60,297,989	2.54
50,001 - 150,000	992	89,481,185	3.77
150,001 Over	731	2,205,896,604	93.00
Total	8,579	2,371,857,008	100

6.1 Distribution of equity security holders (continued)

Options

Category (size of holding)	Total holders	Units	% of Issued Capital
1 - 1,000	0	0	0.00
1,001 - 5,000	0	0	0.00
5,001 - 10,000	0	0	0.00
10,001 - 50,000	5	142,613	0.43
50,001 - 150,000	4	421,176	1.27
150,001 Over	20	32,603,336	98.30
Total	29	33,167,125	100

6.2 Less than marketable parcels of shares

There are 2,058 holders of a less than marketable parcel of shares (as at 31 August 2025), representing a total of 2,253,144 shares. A less than marketable parcel is 2,703 shares (\$0.185 per unit).

6.3 Voting Rights

The voting rights attached to each class of equity security are as follows:

Ordinary Shares

On a show of hands, every member present in person or by proxy shall have one vote, and upon a poll, each share shall have one vote.

Options

Options do not carry any voting rights.



ASX Additional Information

6.4 Twenty largest shareholders

The names of the twenty largest holders of quoted ordinary shares are:

Rank	Name	Units	% Units
1	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	400,049,244	16.87
2	CITICORP NOMINEES PTY LIMITED	329,743,378	13.90
3	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	188,810,926	7.96
4	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT >	153,150,293	6.46
5	BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM >	152,959,348	6.45
6	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <GSCO CUSTOMERS A/C >	75,483,280	3.18
7	BNP PARIBAS NOMS PTY LTD	68,917,752	2.91
8	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	65,110,932	2.75
9	WASHINGTON H SOUL PATTINSON AND COMPANY LIMITED	61,845,895	2.61
10	DESERTFOX PTY LTD	46,954,438	1.98
11	DAVEY HOLDINGS (AUS) PTY LTD <BURNAFORD A/C >	30,000,000	1.26
12	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C >	27,120,797	1.14
13	WOODROSS NOMINEES PTY LTD	22,786,386	0.96
14	SANDHURST TRUSTEES LTD <JMFG CONSOL A/C >	22,306,405	0.94
15	NATIONAL NOMINEES LIMITED	17,981,688	0.76
16	WANNA QUICKIE PTY LTD	16,651,242	0.70
17	NETWEALTH INVESTMENTS LIMITED <SUPER SERVICES A/C >	12,668,282	0.53
18	UBS NOMINEES PTY LTD	12,375,587	0.52
19	NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C >	12,226,742	0.52
20	BT PORTFOLIO SERVICES LIMITED <BOWES FAMILY A/C >	11,323,196	0.48
Totals: Top 20 holders of ORDINARY FULLY PAID SHARES (Total)		1,728,465,811	72.87
Total Remaining Holders Balance		643,391,197	27.13

6.5 Substantial Shareholders

An extract of the Company's Register of Substantial Shareholders (who hold 5% or more of the issued capital) as disclosed in substantial holding notices given to the Company is set out below:

Name	Date	Number of Shares	%
Sprott Inc	23-Apr-25	241,286,560	10.21
Paradise Investment Management Pty Ltd	1-Aug-25	185,907,170	7.84
Singapore Shenke International Pty Ltd	13-Nov-2023	132,133,244	7.68

ASX Additional Information

7. Company Secretary

The name of the Company Secretary is Hayden Bartrop

8. Securities exchange listing

Quotation has been granted for all the ordinary shares of the Company on the Australian Securities Exchange ('LOT')

The Company also has over the counter trading via OTCQX under the code: LTSRF.

9. Unquoted securities

ASX Code	Description	Number	Number of holders
LOTAY	Unlisted Options (Expiring 31 Oct 2027, Ex Nil)	3,519,705	6
LOTAAC	Unlisted Options - STI (Expiring 31 Oct 2026, Nil exercise)	256,122	6
LOTAAD	Unlisted Options - LTI (Expiring 31 Oct 2028, Nil exercise)	2,746,659	7
LOTAAE	Unlisted Options - Director (Expiring 30 Sep 2026, Nil exercise)	5,000,000	5
LOTA AF	Unlisted Options (Expiring 20 May 2027, Ex \$0.30)	4,000,000	2
LOTAAG	Unlisted Options (Expiring 22 Aug 2027, Ex \$0.30)	2,000,000	1
LOTA AH	Unlisted Options (Expiring 8 Aug 2027, Nil exercise)	6,000,000	1
LOTA AI	Unlisted Options (Expiring 9 Oct 2027, Ex \$0.30)	2,000,000	1
LOTA AJ	Unlisted Options - FY2025 STI (Expiring 30 Jun 2027, Nil exercise)	3,192,277	18
LOTA AK	Unlisted Options - FY2025 LTI (Expiring 30 Jun 2029, Nil exercise)	4,050,502	12
LOTA AL	Unlisted Options (Expiring 30 Sep 2027, Nil exercise)	401,860	1
Total		33,167,125	

10. Unquoted securities holdings greater than 20%

All unquoted securities were issued under an employee incentive scheme.

11. Interest in Mining Tenements

As at 31 August 2025, the Company's tenement interests are shown in the table below.

Tenement	Ownership	Area km ²	Registered Holder	Location
ML0152 - Kayelekera	85%	55.5	Lotus Africa Limited	Malawi
EL812 - 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%	131.187	Lotus Marula Botswana Pty Ltd	Botswana

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LOTUS
RESOURCES

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Perth, Western Australia, 6000

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