Fulcrum Lithium Ltd

ABN 23 665 528 307

Date: 27 January 2026

ASX: FUL

Shares on issue: 134.1M
Market capitalisation: $16.1M (@ $0.12)

Board of Directors:

Chairman
Norman Seckold

Executive Director and CFO
Peter Nightingale

Non-Executive Directors
Tony Sgro
Foster Wilson

Chief Operating Officer:
Scott Keenan

Nevada Lithium Projects:

Alkali Flats
Dry Canyon

Contact:

Level 2, 66 Hunter Street
Sydney, NSW, 2000

+61 2 9300 3377

info@fulcrumlithium.com

www.fulcrumlithium.com

QUARTERLY ACTIVITIES REPORT

For the quarter ended 31 December 2025

SUMMARY

OPERATIONS

- Alkali Flats project, located in Esmeralda County Nevada, claims position expanded by an additional 281 claims staked, increasing the project area to 66km^2.
- 25km Controlled-Source Audio-Frequency Magnetotelluric (**CSAMT**) geophysical survey completed at Alkali Flats resulting in expansion of the lithium claystone target to 42km^2.
- Alkali Flats metallurgical work program commenced with initial scoping work completed returning positive results up to 91% lithium recoveries.
- Permit approval received from the USA Bureau of Land Management (**BLM**) for the Alkali Flats Phase 3 drill campaign comprising over 30 holes of reverse circulation (**RC**) and core holes.
- Dry Canyon project, located in in Lander County Nevada, staked and filed with the BLM following high-grade results from surface sampling by Fulcrum geologists, returing assays up to 1,219ppm lithium (**Li**).

CORPORATE

- Lithium Carbonate prices increased by ~165% over the last 7 months.
- Project success based Performance Rights granted to the Company's Chief Operating Officer.

The Directors present the December 2025 Quarterly Activities Report for Fulcrum Lithium (**Fulcrum** or **the Company**) and its controlled entities (**the Group**).

OPERATIONS

Nevada Lithium Projects (100% owned)

The Company owns a 100% interest in the Alkali Flats lithium project comprising 793 lode claims (approximately 66km^2) located within the Esmeralda County on Federal public lands owned and administered by the United States government. The project is situated approximately 15km south of the Tonopah Flats (American Battery Technology Company) and TLC (American Lithium Corporation) lithium projects and 10km east of the Silver Peak (Albemarle Corporation) lithium mine, the only operating lithium mine in the USA (Figure 2).

The Company owns a 100% interest in the Dry Canyon lithium project comprising 201 lode claims (approximately 17km^2) located within the Lander County on Federal public lands owned and administered by the United States government. The project is situated approximately 75km south of Battle Mountain, a major mining services centre (Figure 1).

The unpatented lode claims include rights to all locatable subsurface minerals and, under current law, ownership of an unpatented lode claim is maintained by the owner paying an annual mining claim maintenance fee of US$200 per claim each year by 1 September.

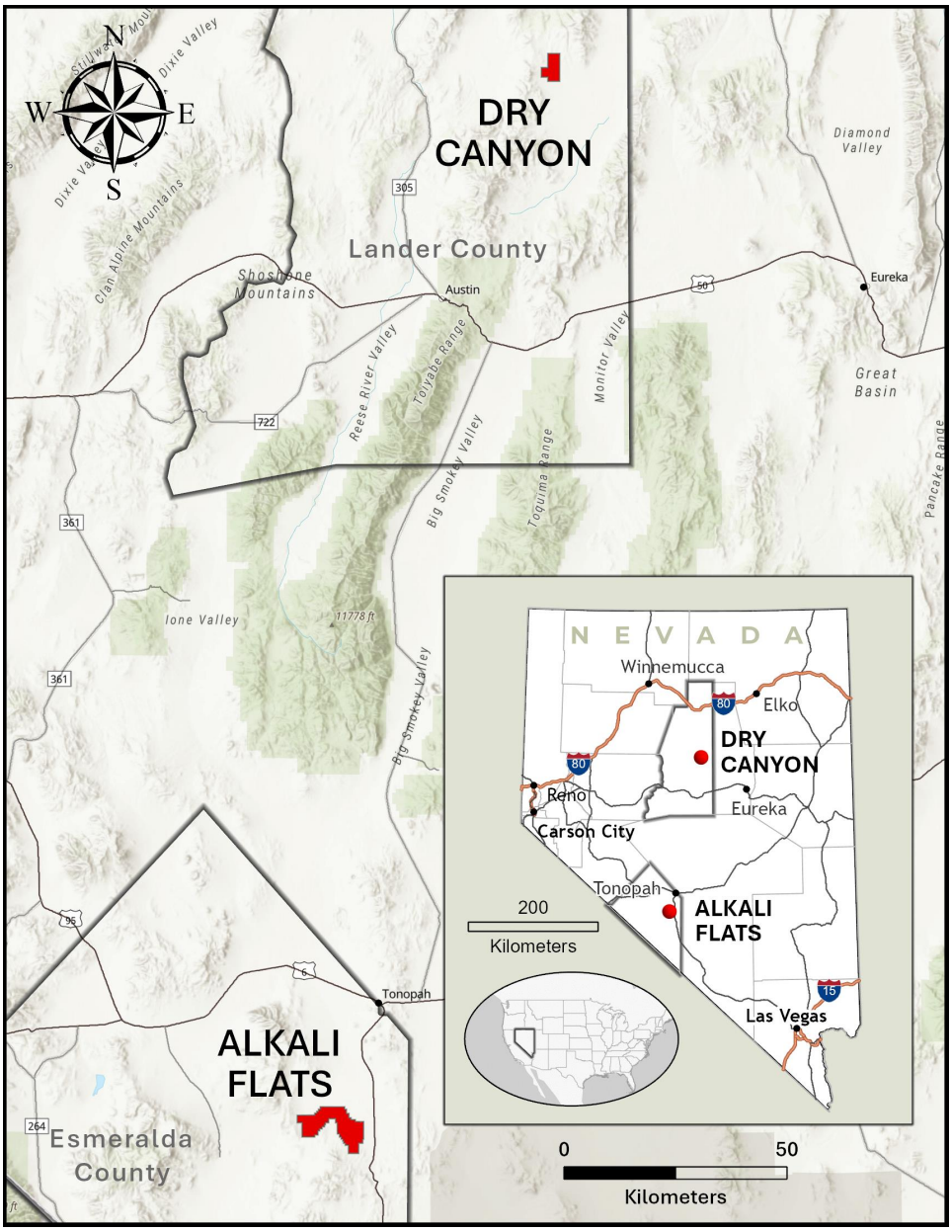

Figure 1. LOCATION OF FULCRUM'S NEVADA LITHIUM PROJECTS

ALKALI FLATS

Focused on land adjacent to the discovery intersected in the Phase 2 drilling campaign[1], Fulcrum staked an additional 281 lode claims (Figure 3), increasing the project area to 66km^2.

Fulcrum's drilling programs in 2025 have delivered the first third dimensional data known for the Alkali Flats project area, providing valuable geologic understanding of the lithology and structure of lithium deposition in the basin. Following the Phase 2 drilling discovery of a significant scale lithium deposit, the project has transitioned from exploration phase into the appraisal and development phase where geophysical data acquisition, metallurgical testing and infill and extension drilling will further delineate and evaluate the size and technical aspects of the discovery.

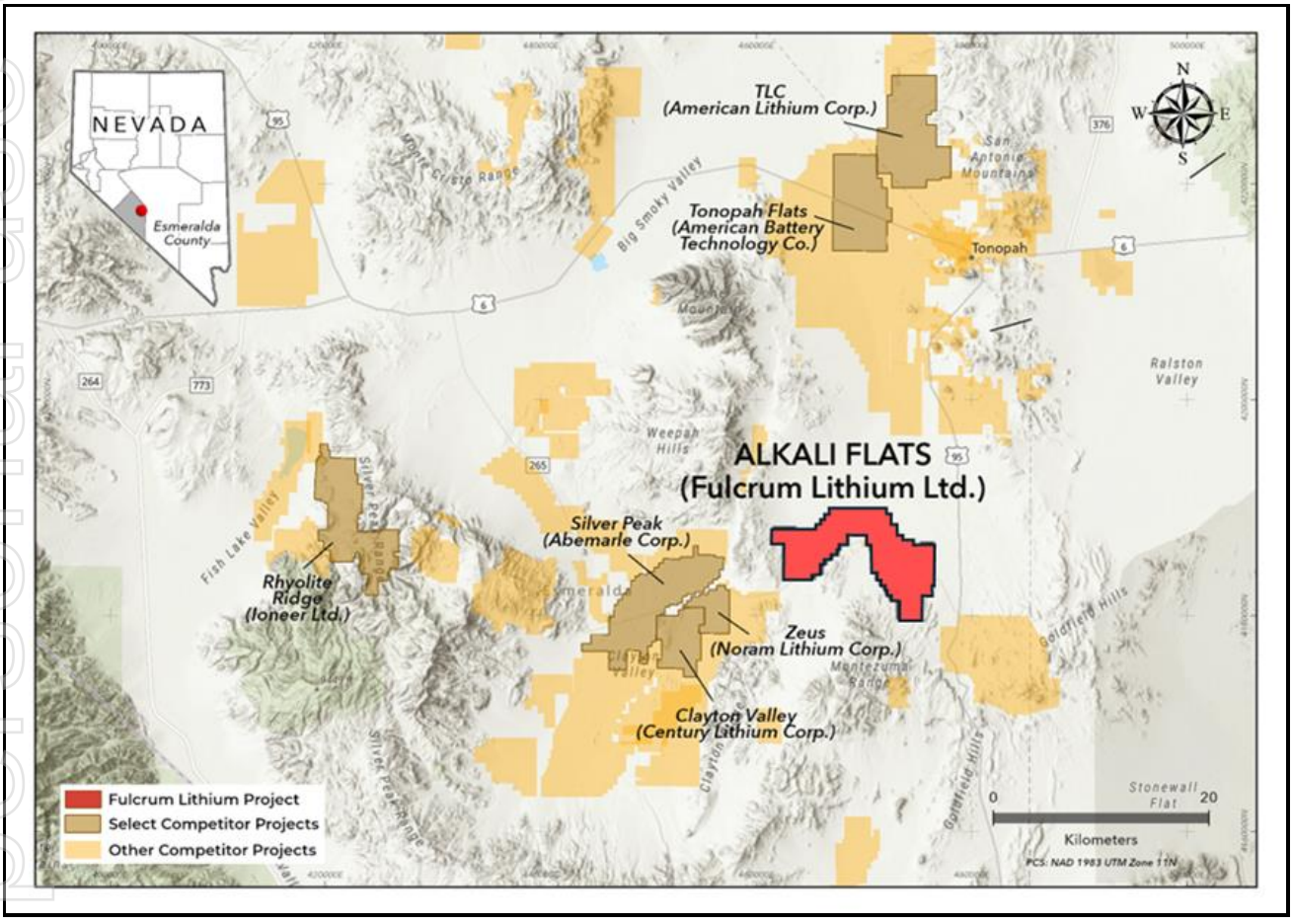

Figure 2. FULCRUM'S ALKALI FLATS PROJECT LOCATION

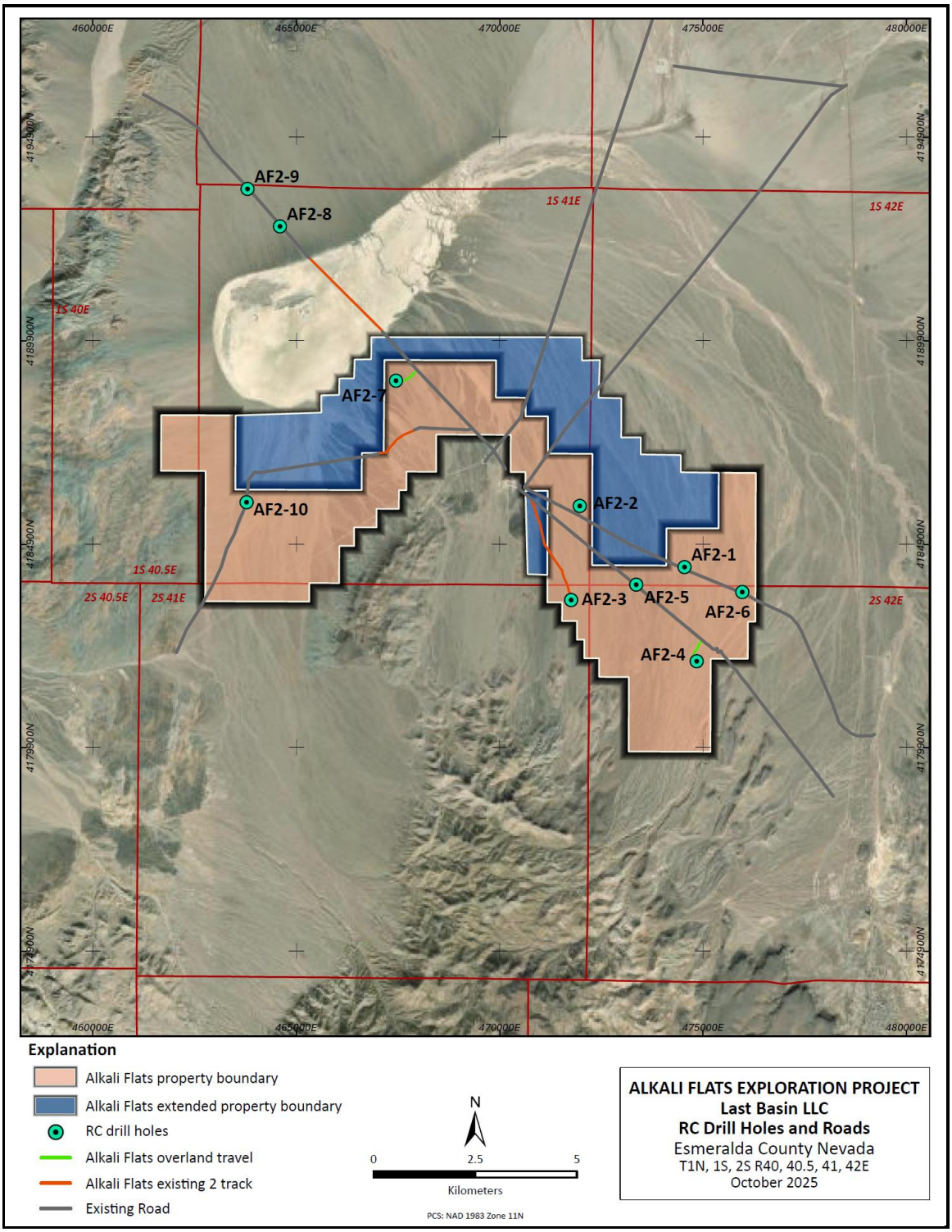

Figure 3. FULCRUM'S ALKALI FLATS PROJECT CLAIMS EXPANSION

Geophysical Survey

During the quarter and guided by the results from the Phase 2 drilling program, Fulcrum has completed a 25km Controlled-Source Audio-Frequency Magnetotelluric (**CSAMT**) geophysical survey which has provided high quality data for structural and lithological interpretation (Figure 5).

The CSAMT survey was completed to map potential extensions of lithium claystones intersected in the Phase 2 drilling and to assist the optimal planning of drill hole locations in the upcoming Phase 3 drilling campaign.

CSAMT surveys are a commonly used geophysical technique for identifying the presence of highly electrically conductive rocks, such as claystones, by transmitting harmless electrical signals into the ground and recording the response at receiver stations. High quality data has been received and the final dataset has been calibrated to the Phase 2 drilling results and interpreted by the geological team.

The 25km CSAMT geophysical survey was conducted from 1 October 2025 to 17 October 2025 with high quality data reported both during field operations and final processing audits. The 2D survey lines were designed in an EW parallel grid to tie into the existing Phase 2 drill holes for data and geological calibration and to map the basin architecture to guide the 3D geological and resource models (Figure 4).

The 2D sections were interpreted by the Fulcrum geological team. Extensions of lithium mineralised claystones of the Seibert Formation were interpreted along with overburden gravel thickness, basement terranes as well as structural trends and extensional faults.

Mineralisation at the AF2-2 drill hole location (Figure 4) remains open at depth and is currently known to be 112m thick[1]. The CSAMT data detected a potential significant lithium claystone interval over 300m thick. Importantly, structural dips and upthrown fault blocks are interpreted to bring thick mineralised clays much closer to the surface, less than 25m.

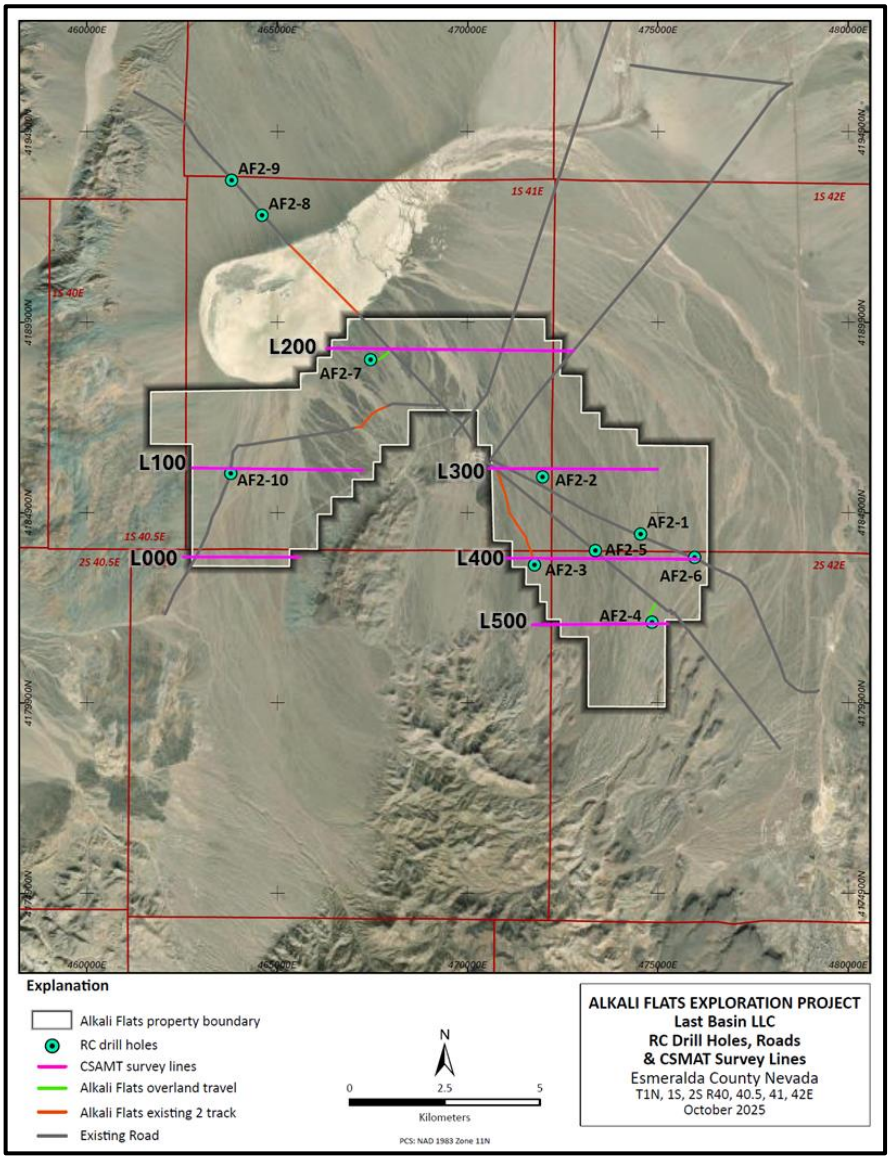

Figure 4. ALKALI FLATS CSAMT SURVEY LOCATION

The CSAMT low resistivity response from the horizons where lithium bearing clays have been intersected in the Phase 2 drilling can be mapped and extrapolated over an area of approximately 42km^2 (Figure 7), which is a significant areal increase compared with the 9km^2 area proven by the Phase 2 drilling results.

The mapped extensions and structural information from the CSAMT survey assisted in the planning of the Phase 3 drilling program and will assist in future geological and resource modelling.

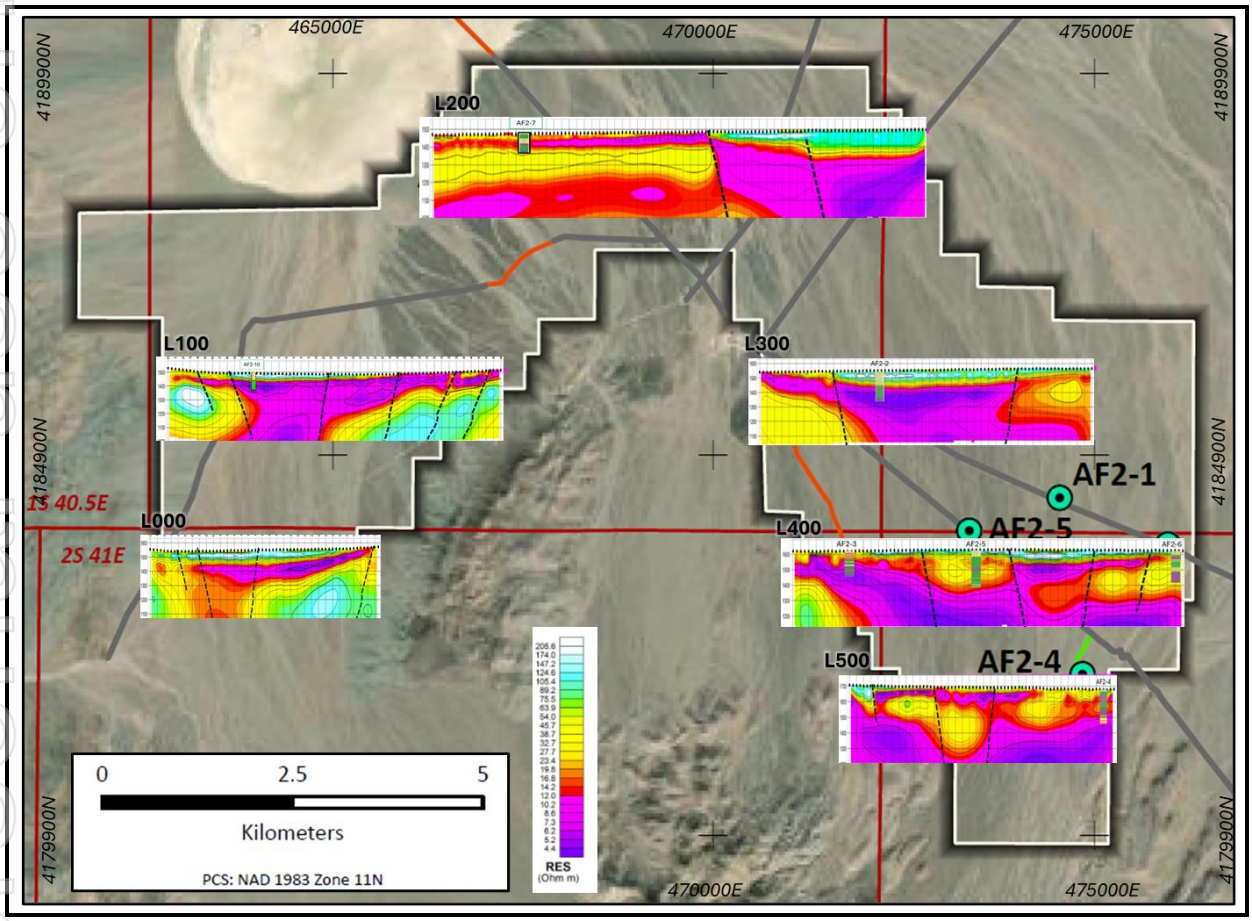

Figure 5. ALKALI FLATS CSAMT 2D INVERSION RESULTS

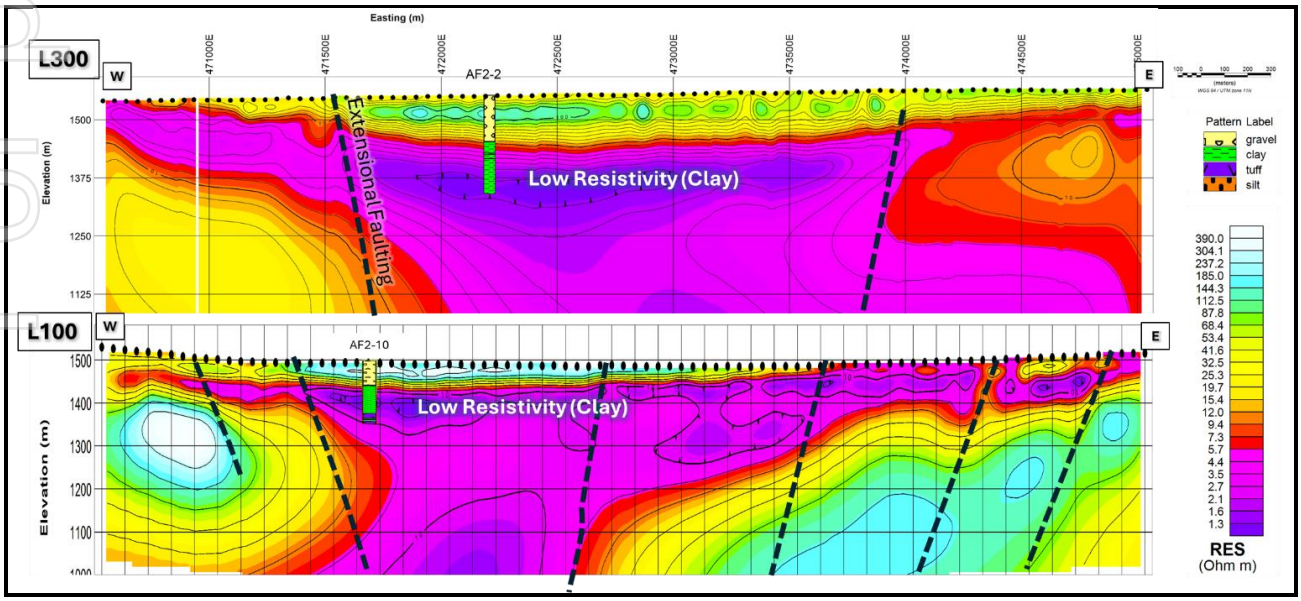

Figure 6. CSAMT 2D INVERSION DATA WITH BASIC INTERPRETATION (LINES L100 AND L300)

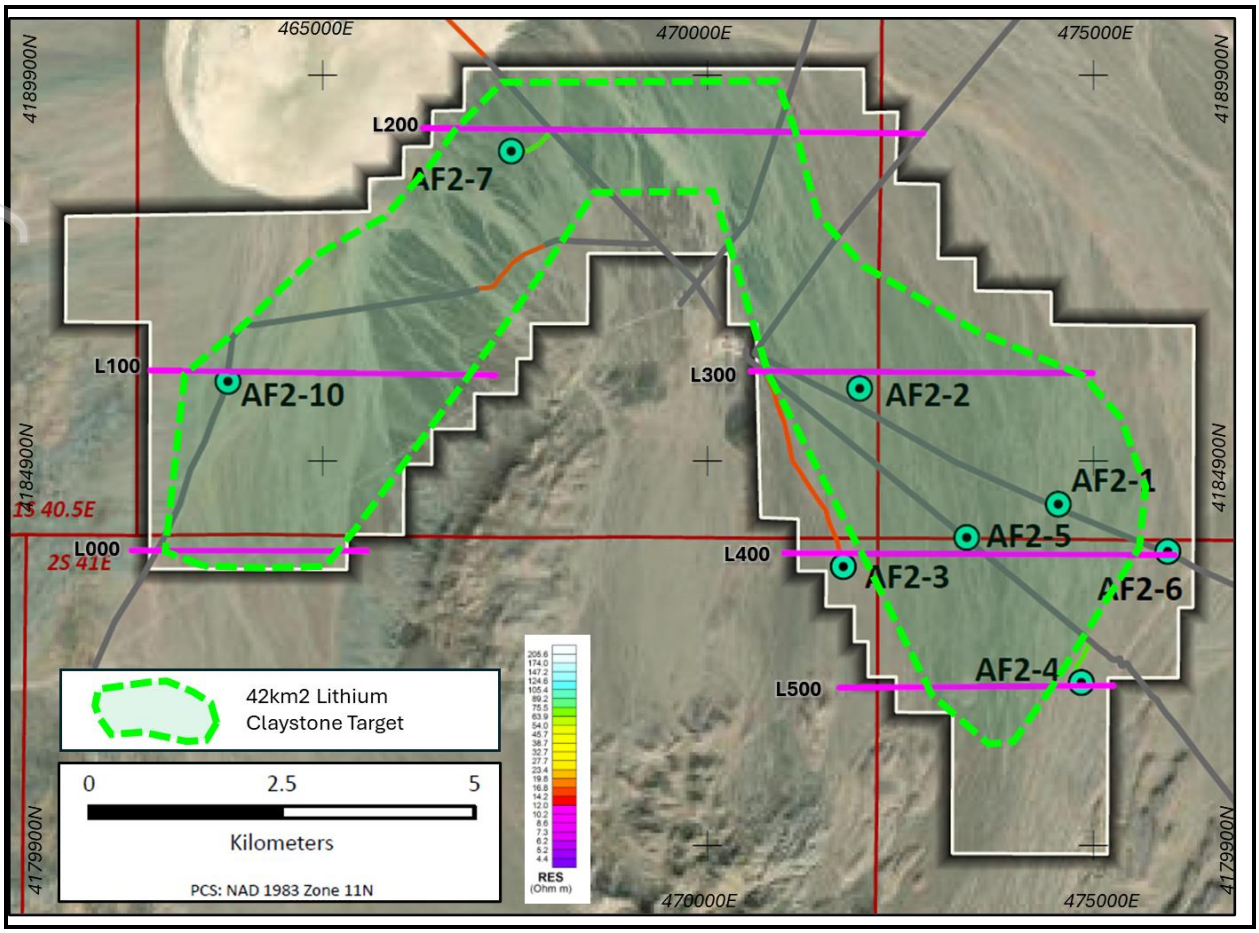

Figure 7. GEOPHYSICALLY DEFINED LITHIUM CLAYSTONE TARGET

Metallurgy Program

The Alkali Flats Phase 2 RC drilling program resulted in the discovery of significant lithium mineralised claystones (>300ppm) intercepted in all holes that penetrated the Siebert Formation. Zones of up to 30 metres were selected across 5 drill holes representing higher grade, lower grade zones and 2 control zones. Samples across each zone were composited to represent the average properties over the broader 30m zone.

Samples were run through the analytical process by Kappes, Cassiday and Associates (**KCA**) in a laboratory scale program that included a head analysis of mineralogy, lithium grade, particle size screening and sulfuric acid leaching tests with varying acid strengths and temperature.

Results from the head screening analysis demonstrate that in the higher-grade zones, 97%-100% of the lithium was contained in the <0.045mm particle size fraction and up to 42% of carbonate (calcite) was removed in the >0.045mm particle size fraction.

Positive lithium extraction results were achieved at low temperatures and short leach times:

- Up to 91% lithium recovery after a 4-hour sulfuric acid leach at 60°C.
- Up to 72% lithium recovery at ambient temperature.

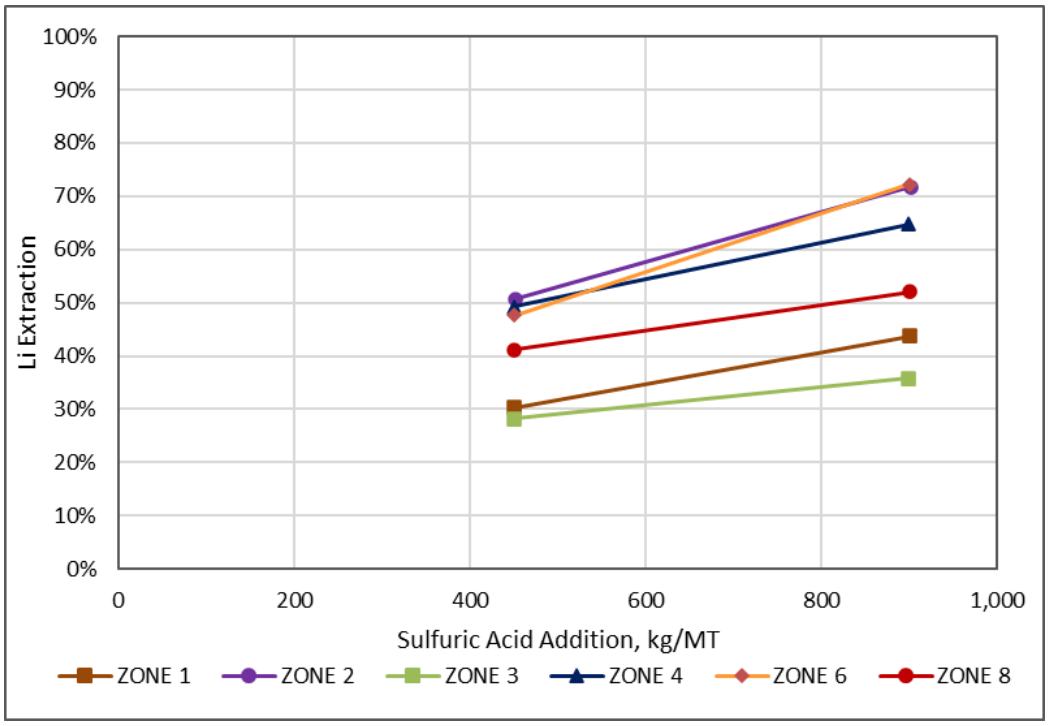

Figure 8. 4 HOUR SULFURIC ACID LEACH RESULTS WITH VARYING ACID STRENGTHS

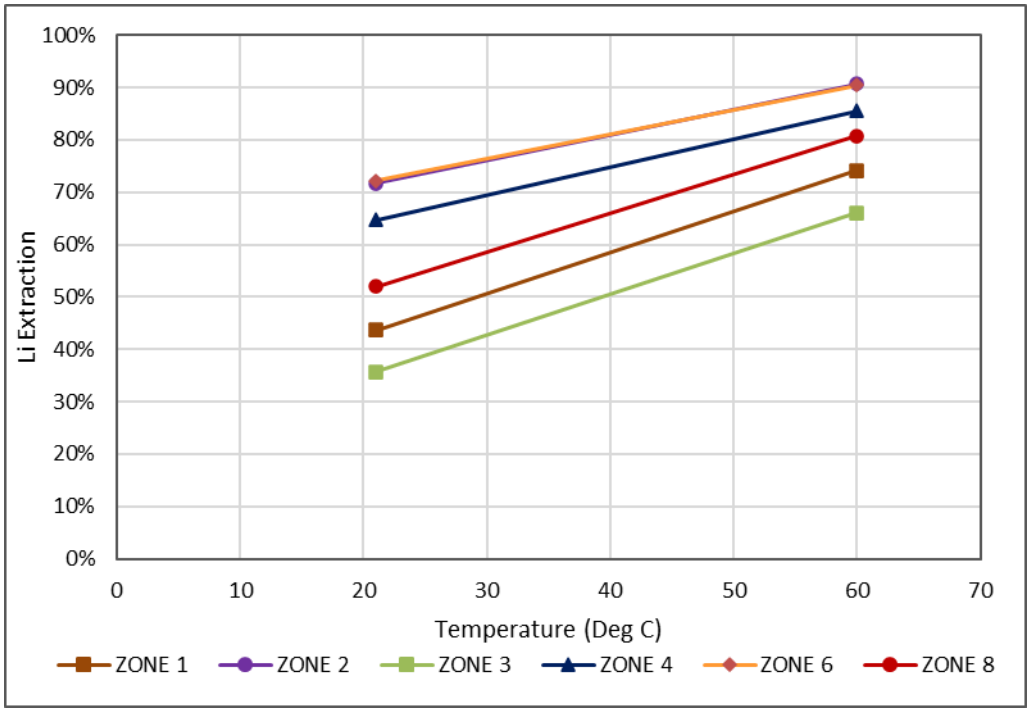

Figure 9. 4 HOUR SULFURIC ACID LEACH RESULTS WITH VARYING TEMPERATURES

KCA also completed a mineralogical analysis using Quantitative X-Ray Diffraction (**QXRD**) to understand the mineral composition of the lithium claystones as well as the clay-types present. Results from this analysis describe the Alkali Flats claystones as a mixture of illite and smectite clays containing calcite, K-feldspar and plagioclase fractions, similar to other lithium clay deposits of the Siebert Formation in the local Esmeralda County area, including the Tonopah Flats project where successful beneficiation techniques have been shown to significantly upgrade initial lithium grades by approximately 2.85x to over 2,000ppm Li[2].

Following on from the positive lithium extraction results achieved in the Company's initial scoping metallurgical program conducted on composited Phase 2 drill cutting samples, further work has been initiated on these samples to investigate the potential for the lithium claystone ore grades to be enriched by simple gravitational techniques such as hydrocyclone separation and testing to investigate the performance of a roasting and water leach method, as well as simulating simple ambient temperature leaching methods, such as heap leaching and vat leaching.

Early testing of samples will give indications of the feasibility of low-cost extraction methods as well as provide important input for the detailed metallurgical program to be designed with drill core from the impending Phase 3 program.

Phase 3 Drill Program

Subsequent to the end of the quarter, the Alkali Flats Phase 3 drill program permit has been received from the USA Bureau of Land Management (**BLM**), approving over 30 holes (Figure 10) of reverse circulation (**RC**) and core hole drilling. Drill rigs have been contracted and preparations for mobilisation have commenced.

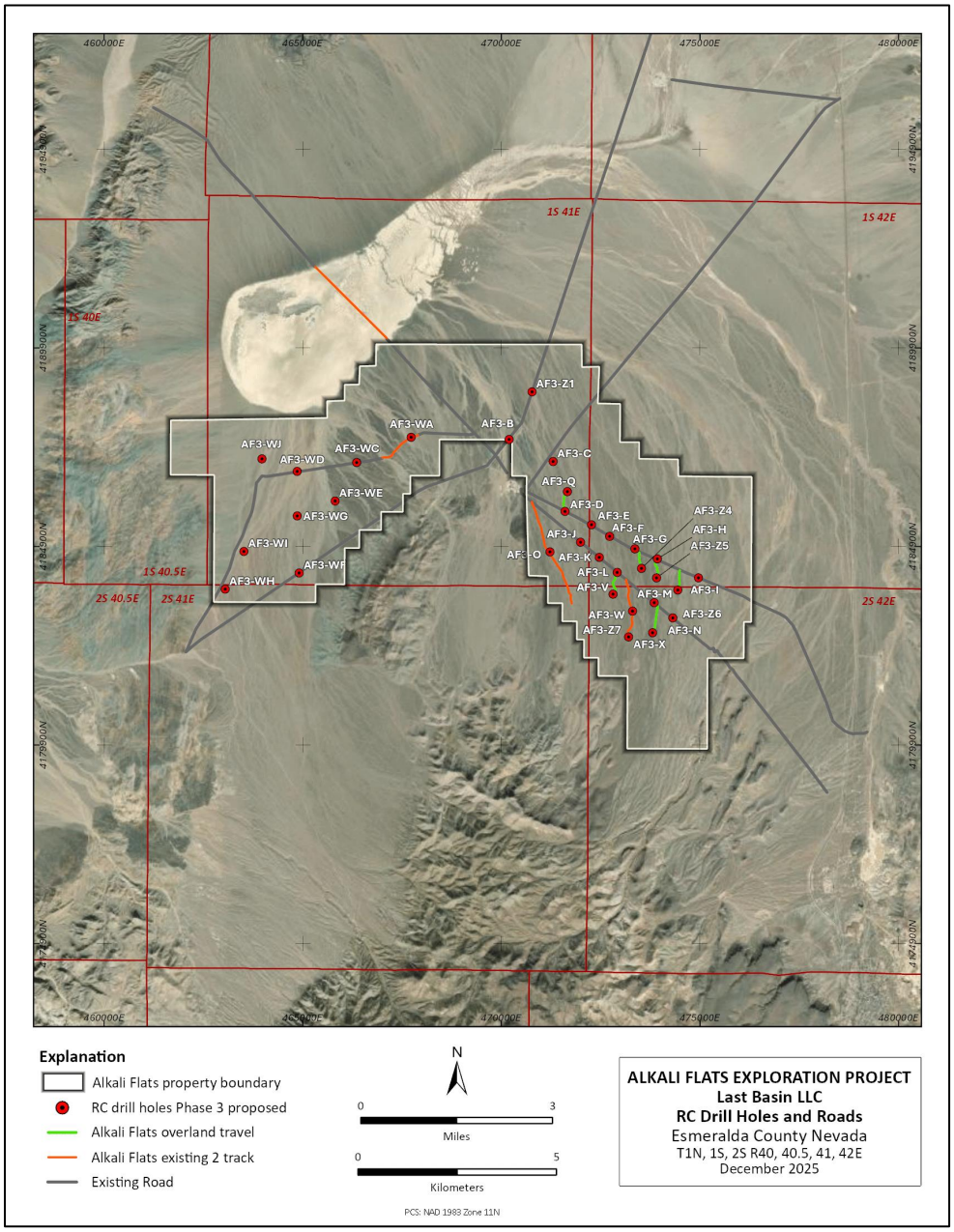

Figure 10. ALKALI FLATS PHASE 3 DRILL PROGRAM PROPOSED LOCATIONS

The Phase 3 program is the next step in the appraisal of the Alkali Flats lithium project following the successful significant discovery from Phase 2 drilling, geophysical surveying and initial metallurgy work completed in 2025.

The drilling program when completed, will represent a 5-fold increase in the amount of drilling over the deposit, will reduce the hole spacing from a currently wide spacing averaging 2000m down to 600m in the core of the project and increase the data density.

Supported by the results from the CSAMT geophysical survey, known lithium mineralisation is open in all directions. The Phase 3 drill program will test mineralisation extensions laterally and at depth.

The Alkali Flats Phase 3 drill program will provide the increased drill hole density and crucial information to enable Fulcrum's maiden Mineral Resource Estimate following integration of all the geological, geophysical and engineering data.

DRY CANYON PROJECT

During the quarter, Fulcrum staked and filed 201 unpatented load claims on Federal public land with the USA BLM. The load claims (Figure 11) give Fulcrum the right to access and conduct mineral exploration and mining under the guidelines and rules set forth in General Mining Act of 1872 and include rights to all locatable surface minerals. The Company has paid the Maintenance Fees for the year ending 31 August 2026.

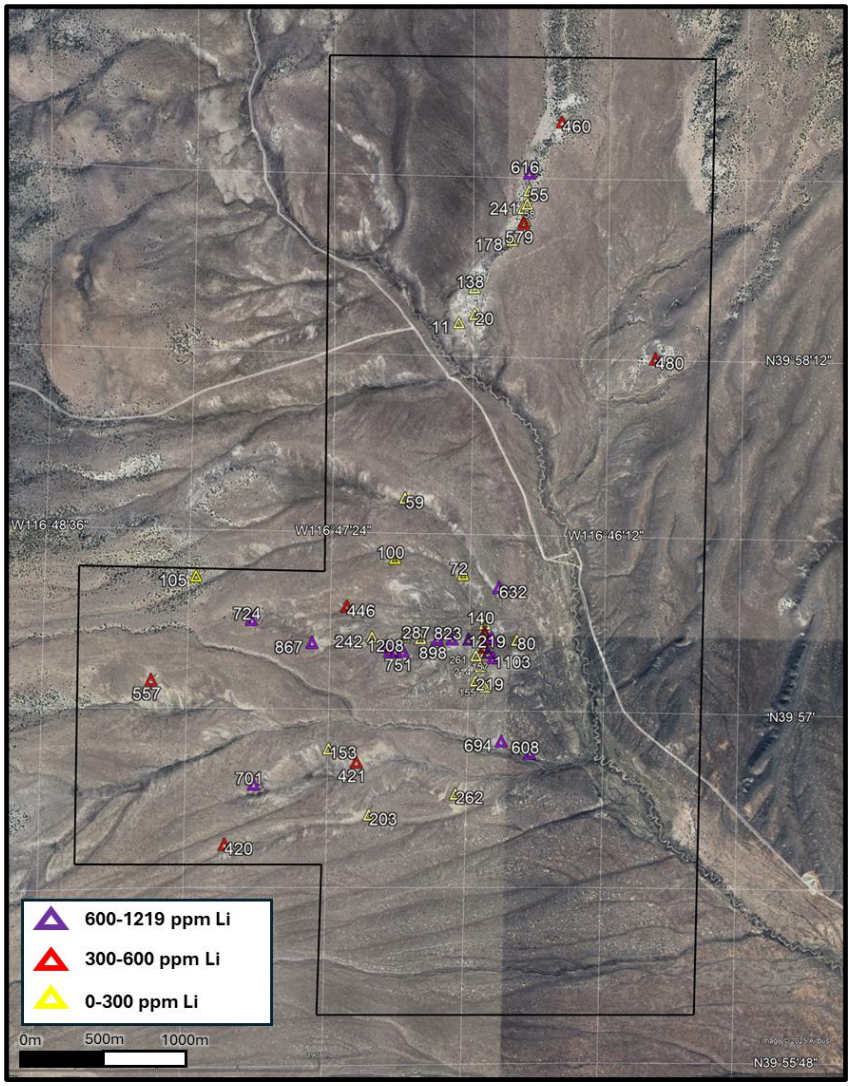

Figure 11. DRY CANYON CLAIMS AND SURFACE SAMPLING LITHIUM ASSAY RESULTS

Dry Canyon emerged from Fulcrum's state-wide new business geological screening process completed earlier in 2025. To support the desktop geological targeting, Fulcrum geologists conducted a geological sampling program which confirmed the presence of high-grade lithium claystones and supportive geology at the project. A total of 62 samples were collected for assaying, with 31 samples returning assay results above 300ppm Li and 6 samples above 1,000ppm Li with a high of 1,219ppm Li.

Basin geology includes the presence of an abundance of volcanic source rocks with 2 major calderas flanking the project as well as a closed sedimentary and hydrologic basin, tuffaceous lacustrine sediments and basin and range extensional tectonic subsidence.

An exploration program, including a drilling program will be run in parallel with Fulcrum's Alkali Flats discovery appraisal program.

CORPORATE

LITHIUM COMMODITY MARKET

Lithium commodity prices have significantly improved from lows in 2025, with the current spot price for lithium carbonate of ~US$21,400/tonne representing a ~165% increase over the low price of US$8,100/tonne in June 2025[3].

This momentum comes at an important time for Fulcrum as the Company continues to pursue the development of projects with large-scale potential in the heart of America's lithium belt.

ISSUE OF PERFORMANCE RIGHTS

During the quarter, the Company has issued 4,000,000 Performance Rights under the Company's Incentive Performance Rights Plan (**Plan**) to the Company's Chief Operating Officer, Mr. Scott Keenan.

The Performance Rights are subject to vesting conditions including the definition of JORC compliant Resources and completion of a Scoping Study supporting a positive Final Investment Decision at a Company project and are designed to align the Chief Operating Officer's and shareholders' interests.

USE OF FUNDS AND EXPENDITURES

The Company provides the following information with respect to its use of funds in its supplementary prospectus.

Total expenditure during the December quarter was $920,000. Exploration and evaluation expenditure was $628,000 on geologic field work, geophysical surveying, metallurgical testing and claims related costs. Administration and corporate expenditures were $292,000 (net of interest received) which includes staff costs of $201,000.

No expenditure was incurred during the quarter on mining production and development activities.

During the December quarter, the aggregate amount of payments to related parties and their associates totalled $117,000 for payments to Directors or Director related entities for Directors' consulting fees and $66,000 for management fees and rent.

Use of Funds	Prospectus Budget	Actuals 31 December 2025 quarter	Actuals 31 December 2025 Total to Date
Expenses of the Offer	807,923	-	**640,000**
Repayment of Loan Facility	1,000,000	-	**1,000,000**
Exploration program year 1	2,060,077	**628,000**	**3,228,000**
Exploration program year 2	4,786,000	-	-
Working Capital	800,000	**292,000**	**1,632,000**
Total	**$9,454,000**	**920,000**	**6,500,000**

Total exploration expenditure to date is higher than budgeted exploration expenditure for year 1 due to an acceleration of the Company's exploration program.

TENEMENTS

Project	Claim Name	Country	Interest
Alkali Flats	A375 to A379, A413 to A417, A451 to A455, A489 to A500, A534 to A545, A580 to A601, A636 to A657, A692 to A713, A748 to A768, A804 to A824, A860 to A865, A894 to A899, A928 to A933 and A375 to A379. B600 to B697, B699, B701, B703, B705, B707, B709, B711, B713, B715, B717 to B739, B741 to B743, B754 to B822, B825 to B861, B863, B867 to B935, B940, B942, B944 to B947 and B953. C140 to C148, C157 to C161, C170 to C174, C183 to C193 and C217 to C227.	USA	100%
Dry Canyon	DC1 to DC201	USA	100%

The Company's projects are held as unpatented lode mining claims located on Federal public lands owned and administered by the United States government and situated in Nevada, USA. A valid unpatented lode mining claim is a real property interest in the minerals on the public lands of the United States of America. The locator of a valid unpatented mining claim has the right to enter the claim and to explore for, develop, produce and sell the minerals on the claim which are locatable under the Mining Law of 1872, subject to compliance with the annual mining claim maintenance requirements under the United States Federal Land Policy and Management Act of 1976 and other applicable federal statutes and regulations.

References

1. ASX: FUL 24 September 2025, 'Alkali Flats Project Update – Lithium Discovery'.
2. https://americanbatterytechnology.com/wp-content/uploads/ABTC_Pre-FeasibilityStudy_2025.pdf.
3. Shanghai Metals Market, 23 January 2026, Battery-Grade Lithium Carbonate Index (https://www.metal.com/Lithium/202212050001).

No Material Changes

The Company confirms it is not aware of any new information or data that materially affects the information included in this report and that all material assumptions and technical parameters underpinning the Exploration Results in this announcement continue to apply and have not materially changed.

Competent Person's Statement

The information in this Report that relates to Exploration Results is based on, and fairly represents, information and supporting documentation prepared by Mr Bill R. Fleshman of Global Geological Services, LLC, a geologist who is a Fellow and Chartered Professional of the Australasian Institute of Mining and Metallurgy and (FAusIMM CP Geology #107342) and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activities which are being undertaken 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'. Mr Fleshman is an independent consulting geologist and consents to the inclusion of the Exploration Results and supporting information in the form and context in which it appears.

This announcement has been authorised for release by the Board of Directors.

For further information please contact:

Scott Keenan
Chief Operating Officer
skeenan@fulcrumlithium.com
+61 (0)438 487 034

Peter Nightingale
Director and Chief Financial Officer
pnightingale@fulcrumlithium.com
+61 2 9300 3377

pjn12844

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity	
FULCRUM LITHIUM LTD	
ABN	**Quarter ended ("current quarter")**
23 665 528 307	31 December 2025

	Consolidated statement of cash flows	**Current quarter $A'000**	**Year to date (6 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(628)	(1,384)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(201)	(354)
	(e) administration and corporate costs	(131)	(266)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	40	96
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other revenue	-	-
1.8	Other (Termination Payments associated with Cerro Bayo proyect)	-	-
1.9	**Net cash from / (used in) operating activities**	**(920)**	**(1,908)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements – Bond deposit	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	-	-
	(e) investments	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other – cash decreased on disposal of Chilean subsidiaries	-	-
2.6	**Net cash from / (used in) investing activities**	**-**	**-**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings (lease payments)	-	-
3.6	Repayment of borrowings (loan facility)	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other - operational cash advance from the Purchaser of the Chile assets	-	-
3.10	**Net cash from / (used in) financing activities**	**-**	**-**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	5,176	6,164
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(920)	(1,908)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**4,256**	**4,256**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	379	288
5.2	Call deposits	3,677	4,688
5.3	Bank overdrafts	-	-
5.4	Other (Term deposit)	200	200
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**4,256**	**5,176**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	117
6.2	Aggregate amount of payments to related parties and their associates included in item 2	66

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

6.1 Director fees and superannuation.

6.2 Management fees.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $'000**	**Amount drawn at quarter end $'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-

7.5	**Unused financing facilities available at quarter end**	-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(920)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(920)
8.4	Cash and cash equivalents at quarter end (item 4.6)	4,256
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	4,256
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	**4.63**

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 27 January 2026

Authorised by: By the Board
……..
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.