

ASX ANNOUNCEMENT

1 December 2025

Infill Drilling Commences to Upgrade Combined Burke and Mt Dromedary Graphite Deposits in Queensland

SUMMARY

- A substantial infill resource development RC and Diamond drilling program has commenced at the Burke Graphite Project in Queensland.
- The primary objective of the drilling is to consolidate the two separate high grade JORC mineral resources associated with the adjacent Burke and Mt Dromedary Graphite Deposits into a combined JORC graphite mineral resource.
- The drilling will also seek to provide further samples and data for metallurgical and geotechnical planning.
- Lithium Energy currently holds a world class **combined 4.42Mt** inventory of high-grade natural graphite across three graphite deposits in Queensland, with potential for resource expansion.
- The +14% TGC average grades of the adjacent Burke and Mt Dromedary Deposits (**3.14Mt** of contained graphite) are significantly higher than most global peers.
- Recently announced new Chinese export controls on graphite battery anode material (**BAM**) highlights the need for graphite projects such as Burke to be developed as alternative suppliers of BAM to global markets.

Lithium Energy Limited (ASX:LEL) (**Lithium Energy** or the **Company**) is pleased to announced that it has commenced an infill drilling program at its high-grade Burke Graphite Project in Queensland. The objective of the program is to consolidate and unify the current discrete mineral resource estimates of the adjacent Burke and Mt Dromedary Graphite Deposits into a combined high grade graphite mineral resource estimate as well as provide further additional metallurgical and geotechnical data for mine planning studies.

Drilling will comprise a total of 30 reverse circulation (**RC**) (totalling ~3,400 metres) and 6 PQ sized diamond core (including metallurgical and geotechnical) (totalling ~500 metres) holes for a total of ~3,900 metres of drilling. Both drill programs will focus principally on areas in between the existing Burke and recently acquired Mt Dromedary¹ Deposits (together, the **Burke Graphite Project**) (refer Figure 1).

¹ Refer LEL Announcement dated 25 September 2025: Acquisition of Mt Dromedary Graphite Project

Lithium Energy currently holds a world class **combined 4.42Mt** inventory of high-grade natural graphite, comprising:

- **Mt Dromedary Deposit:** Total Indicated and Inferred Mineral Resource of **12.7Mt graphite at 14.5% Total Graphitic Carbon (TGC)**, for a total **1.83Mt of contained graphite²**;
- **Burke Deposit:** Total Indicated and Inferred Mineral Resource of **9.1Mt at a grade of 14.4% TGC** for **1.31Mt of contained graphite³**; and
- **Corella Graphite Deposit:** Total Inferred Mineral Resource of **13.5Mt at 9.5% TGC** for **1.3Mt of contained graphite⁴**.

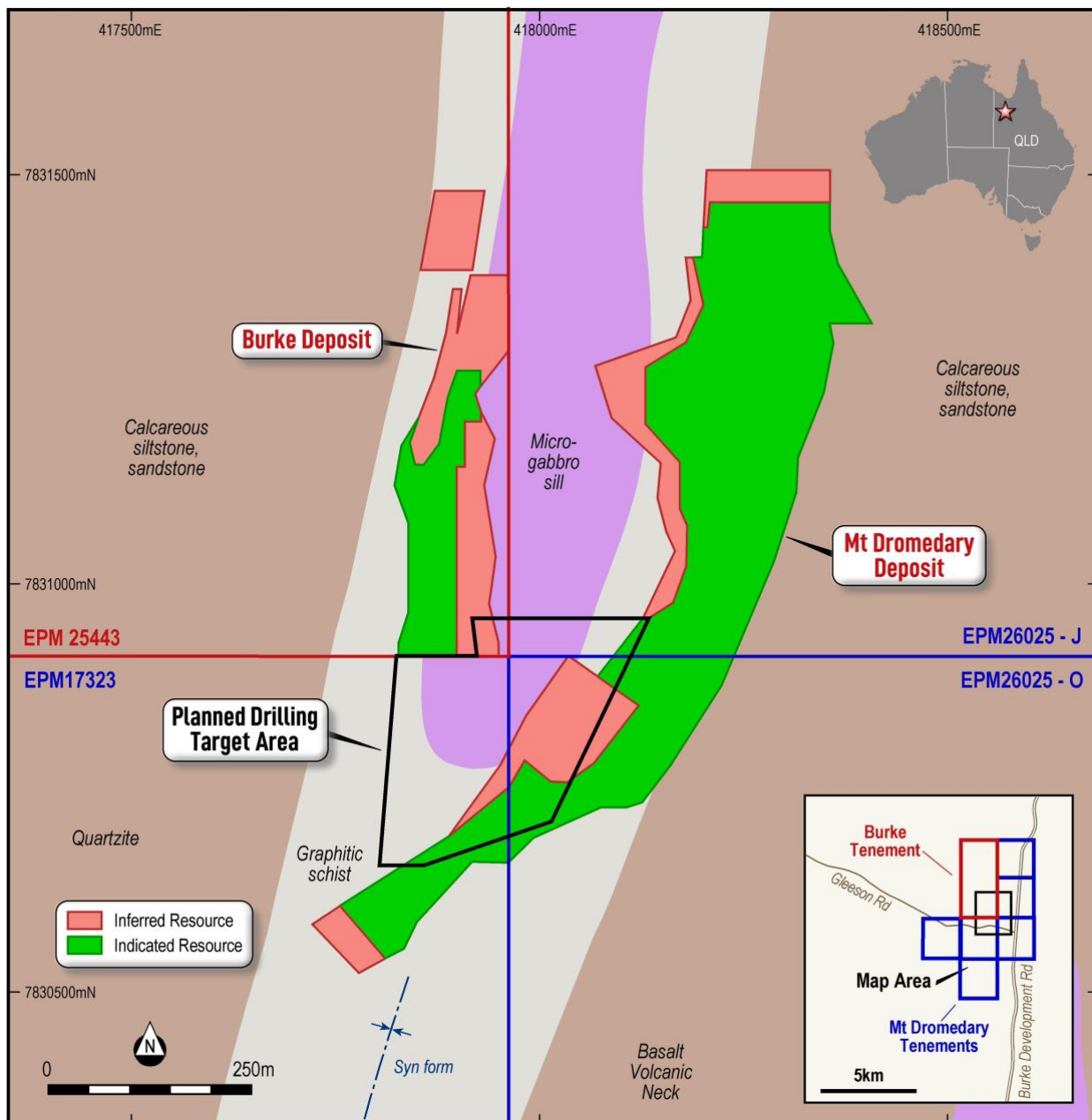


Figure 1: Drilling Target Area and Burke and Mt Dromedary Deposits
- Indicated and Inferred Mineral Resources Plan View and Geology

2 Refer Joint LEL and NVX ASX Announcement dated 10 September 2024: Axon Graphite Limited Update – Mt Dromedary Graphite Mineral Resources Review
3 Refer LEL ASX Announcement dated 5 April 2023: Burke Graphite Mineral Resource Upgrade Delivers Significant Increases in Size and Confidence
4 Refer LEL ASX Announcement dated 16 June 2023: Maiden Corella Graphite Mineral Resource Delivers Doubling of Graphite Inventory

The +14% TGC average grades of the Burke and Mt Dromedary Deposits are significantly higher than most global peers, with potential for resource expansion as graphite mineralisation is open to the north and south and in between the currently defined Mt Dromedary and Burke Deposits.



Figure 2: Drill rig set up on first RC drill hole at the Burke Graphite Project (Nov 2025)

China Tightens Export Controls on Graphite and Battery Anode Materials

In October 2025, China announced expanded export controls covering graphite and artificial BAM, with the measures to take effect from 8 November 2025.⁵ The new regulations extend existing restrictions on critical battery inputs and are expected to disrupt battery related supply chains.

With China dominating the global supply of graphite-based anode materials, this potential disruption is highlighting the need for alternative, stable sources of high-quality graphite-based BAM, which is the focus of Lithium Energy's current development strategy for the Burke Graphite Project.

⁵ 9 October 2025: Decision No. 58 of 2025 jointly issued by China's Ministry of Commerce (MOFCOM) and the General Administration of Customs (Customs)



Figure 3: Aerial view looking north of Mt Dromedary Tenements with Burke Tenement to the west (2015)

Battery Anode Material (BAM) Manufacturing Business – Development Strategy

Lithium Energy is evaluating the development of a vertically integrated BAM business utilising high-grade graphite from its consolidated graphite deposits as feedstock material to a BAM manufacturing facility in Queensland (**BAM Facility**).

Lithium Energy envisages mining graphite initially from the combined Mt Dromedary/Burke Deposits and producing a +95% TGC graphite flake concentrate at the mine site. The graphite flake concentrate will then be transported to a BAM Facility for processing. The BAM Facility is expected to firstly mechanically shape and spheronise the graphite flakes followed by chemical purification to form spherical purified graphite (**SPG**), which could be additionally surface coated to produce coated spherical purified graphite (**CSPG**), which are both high quality BAM products. It is proposed that these SPG/CSPG products will be sold for use in the manufacturing of lithium-ion batteries or battery energy storage solutions.

AUTHORISED FOR RELEASE - FOR FURTHER INFORMATION:

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JORC CODE (2012) COMPETENT PERSONS' STATEMENTS

(a) JORC Code Competent Persons' Statements – Burke Graphite Project (Queensland)

(i) The information in this document that relates to Mineral Resources in relation to the Burke Graphite Project is extracted from the following ASX market announcement made by Lithium Energy Limited dated:

- 5 April 2023 entitled "Burke Graphite Mineral Resource Upgrade Delivers Significant Increases in Size and Confidence"

The information in the original announcement is based on information compiled by Mr Shaun Searle, a Competent Person who is a Member of the Australian Institute of Geoscientists (**AIG**). Mr Searle is an employee of Ashmore Advisory Pty Ltd, an independent consultant to Lithium Energy Limited. Mr Searle has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity 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' (the **JORC Code**). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement (referred to above). 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 (referred to above).

(b) JORC Code Competent Person's Statement – Mt Dromedary Graphite Project (Queensland)

The information in this document that relates to Mineral Resources in relation to the Mt Dromedary Graphite Project is extracted from the following ASX market announcement made jointly by Lithium Energy Limited and NOVONIX Limited (ASX:NVX) dated:

- 10 September 2024 entitled "Axon Graphite Limited Update – Mt Dromedary Graphite Mineral Resources Review"

The information in the original announcement is based on information compiled by Mr Shaun Searle, a Competent Person who is a Member of the AIG. Mr Searle is an employee of Ashmore Advisory Pty Ltd, an independent consultant to Axon Graphite Limited (a subsidiary of Lithium Energy Limited). Mr Searle has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement (referred to above). 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 (referred to above).

(c) **JORC Code Competent Person's Statement – Corella Graphite Project (Queensland)**

The information in this document that relates to Mineral Resources in relation to the Corella Graphite Project is extracted from the following ASX market announcements made by Lithium Energy Limited dated:

- 16 June 2023 entitled "Maiden Corella Graphite Mineral Resource Delivers Doubling of Graphite Inventory"

The information in the original announcements is based on information compiled by Mr Shaun Searle, a Competent Person who is a Member of the AIG. Mr Searle is an employee of Ashmore Advisory Pty Ltd, an independent consultant to Lithium Energy Limited. Mr Searle has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the JORC Code. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement (referred to above). 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 (referred to above).

The Lithium Energy ASX market announcements referred to above may be viewed and downloaded from the Company's website: www.lithiumenergy.com.au or the ASX website: www.asx.com.au under ASX code "LEL".

FORWARD LOOKING STATEMENTS

This document contains "forward-looking statements" and "forward-looking information", including statements and forecasts which include without limitation, expectations regarding future performance, costs, production levels or rates, mineral reserves and resources, the financial position of Lithium Energy, industry growth and other trend projections. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "is expected", "is expecting", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes", or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might", or "will" be taken, occur or be achieved. Such information is based on assumptions and judgements of management regarding future events and results. The purpose of forward-looking information is to provide the audience with information about management's expectations and plans. Readers are cautioned that forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Lithium Energy and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include, among others, changes in market conditions, future prices of minerals/commodities, the actual results of current production, development and/or exploration activities, changes in project parameters as plans continue to be refined, variations in grade or recovery rates, plant and/or equipment failure and the possibility of cost overruns. Forward-looking information and statements are based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date such statements are made, but which may prove to be incorrect. Lithium Energy believes that the assumptions and expectations reflected in such forward-looking statements and information are reasonable. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Lithium Energy does not undertake to update any forward-looking information or statements, except in accordance with applicable securities laws.