Lotus Resources Limited
(ACN 119 992 175)

PROSPECTUS

This Prospectus is primarily being issued for a fully underwritten pro-rata accelerated non-renounceable entitlement offer of one (1) New Share for every one (1) Share held by Eligible Shareholders at an issue price of A$0.22 per New Share (**Offer Price**) to raise approximately A$60 million (before costs) (**Entitlement Offer**).

The Entitlement Offer is fully underwritten by Canaccord (**Underwriter**).

This Prospectus is also being issued for the purpose of section 708A(11) of the Corporations Act and *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2026/94* (as applicable) to remove any trading restrictions on the sale of the Shares issued by the Company pursuant to, or on the conversion of New Securities issued pursuant to, the following offers (collectively, the **Secondary Offers**):

(a) the Convertible Note Offer, which is detailed in Section 1.19(a); and

(b) the Detachable Warrant Offer, which is detailed in Section 1.19(b).

The Entitlement Offer and Secondary Offers, each on the terms and conditions detailed in this Prospectus, comprise the **Offers**.

This Prospectus may not be released or be distributed in the United States except by the Company to Eligible Institutional Shareholders.

IMPORTANT NOTES

Important notes

You should read this entire Prospectus carefully before deciding whether to invest in New Securities. In particular, you should consider the key risks that could affect the performance of the Company or the value of an investment in the Company, details of which are outlined in Section 3 of this Prospectus.

The information provided in this Prospectus is not financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. Before deciding whether to apply for New Securities, you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. If, after reading this Prospectus, you have any questions about the Offers, you should contact your stockbroker, solicitor, banker, financial adviser, accountant or other professional adviser.

Regulatory information

This Prospectus is dated 23 July 2026 (**Prospectus Date**) and was lodged with ASIC on that date. ASIC and ASX take no responsibility for the content of this Prospectus or the merits of the investment to which this Prospectus relates.

No New Securities may be issued on the basis of this Prospectus later than thirteen (13) months after the Prospectus Date.

No person is authorised to give any information or to make any representation in connection with this Prospectus which is not contained in this Prospectus. Any information or representation not contained in this Prospectus may not be relied on as having been made or authorised by the Company in connection with the Offers.

Applications for New Securities offered pursuant to this Prospectus can only be submitted on an original personalised Entitlement Form (refer to Section 6 of this Prospectus for further information).

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities and options to acquire continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

Shareholder approval

The Company will hold an extraordinary general meeting in August 2026 to seek Shareholder approval in connection with the Secondary Offers (**General Meeting**). See Section 1.15 for further information.

Disclaimer

Except as required by law, and only then to the extent so required, the Company, the Underwriter and their respective affiliates and related bodies corporate (as defined in the Corporations Act) and each of their respective directors, employees, officers, partners, advisors, agents or representatives, nor any other person warrants or guarantees the future performance of the Company or any return on any investment made under this Prospectus. An investment in the New Securities offered by this Prospectus should be considered speculative. The Company has prepared this document based on information available to it at the time of preparation.

The Underwriter is acting as lead manager, bookrunner and underwriter to the Entitlement Offer on the terms and subject to the conditions of the Underwriting Agreement. The Secondary Offers are not underwritten and the Underwriter has no role or responsibility in relation to the Secondary Offers. The Underwriter, its affiliates, its related bodies corporate (as defined in the Corporations Act) and each of their respective directors, employees, officers, partners, advisors, agents or representatives (**Underwriter Parties**) have not authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this Prospectus and there is no statement in this Prospectus which is based on any statement made by the Underwriter Parties. To the maximum extent permitted by law, the Underwriter Parties expressly disclaim all liabilities in respect of, make no representations regarding, and take no responsibility for, any part of this Prospectus other than references to the name of the Underwriter and make no representation or warranty (express or implied) as to the currency, accuracy, reliability or completeness of this Prospectus.

Determination and eligibility of investors for the purposes of the Offers is determined by reference to a number of matters, including legal and regulatory requirements and the discretion of the Company. To the maximum extent permitted by law, and only to that extent, you acknowledge and agree that the Underwriter Parties expressly disclaim any duty or liability (including for negligence) in respect of the exercise of that discretion. For the avoidance of doubt, the Secondary Offers are not underwritten and the Underwriter has no role or responsibility in relation to the Secondary Offers.

The Underwriter, together with its affiliates, is a full-service financial institution engaged in various activities, and may have performed or may perform financial or advisory services for the Company, for which they may receive customary fees and expenses. The Underwriter Parties may hold positions in, trade in or otherwise have interests in the securities of the Company. Further, the Underwriter Parties may act as market maker or buy or sell those securities or associated derivatives as principal or agent and may acquire New Shares in connection with the Entitlement Offer or derivative transactions (including to provide investors with an economic interest in New Shares), which may result in the Underwriter or its affiliates disclosing a substantial holding. In accordance with the terms of the Underwriting Agreement, the Underwriter may receive fees for acting as lead manager, bookrunner and underwriter of the Entitlement Offer. Refer to Section 8.1 for further details of the Underwriting Agreement.

The Underwriter does not make any recommendation as to whether you or your related parties should participate in the Offers, nor does it make any representations or warranties (express or implied) to you concerning the Offers or an investment in the Company. You expressly disclaim that you are in a fiduciary relationship with any of the Underwriter Parties.

No cooling-off rights

Cooling-off rights do not apply to an investment in New Securities issued under this Prospectus. This means that, in most circumstances, you cannot withdraw your Application once it has been accepted.

Statements of past performance

This Prospectus may include information regarding the past performance of the Company. Investors should be aware that past performance should not be relied upon as being indicative of future performance.

Forward-looking statements

These forward-looking statements may be identified by words such as “may”, “could”, “believes”, “estimates”, “aims”, “expects”, “intends” and other similar words that involve risks and uncertainties, and include statements regarding the financial condition, results of operations, projects and business of the Company and certain plans and objectives of the management of the Company. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, at the date of this Prospectus, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company and that could cause those future acts, events and circumstances to differ materially from the expectations described in such forward-looking statements. The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

In particular, this Prospectus details some important factors and risks that could cause the Company’s actual results to differ from the forward-looking statements in this Prospectus (details of which are outlined in Section 3 of this Prospectus).

The pro-forma financial information provided in this Prospectus is for illustrative purposes only and is not represented as being indicative of the Company's view on its future financial condition and/or performance. The pro-forma historical financial information has been prepared by the Company in accordance with the measurement and recognition requirements, but not disclosure requirements, prescribed by Australian Accounting Standards. The pro-forma historical financial information included in this Prospectus does not purport to be in compliance with Article 11 of Regulation S-X of the rules and regulations of the U.S. Securities and Exchange Commission.

The Company has no intention to update or revise forward-looking statements, regardless of whether new information, future events or any other factors affect the information detailed in this Prospectus, except where required by law.

Neither the Company nor any other person warrants or guarantees the future performance of the Company, nor do they guarantee any return on any investment made pursuant to this Prospectus or the repayment of capital or the payment of income. Investors should note that the past performance of the Company provides no guidance to its future performance.

Target market determination

In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of the Detachable Warrants and Convertible Notes under this Prospectus. The Company will only make the Offers available to those investors who fall within the target market determination (**TMD**) as set out on the Company's website at www.lotusresources.com.au. By making an Application under this Prospectus, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.

No incorporation by reference

Any references to documents included on the Company's website or the ASX website are for convenience only, and none of the documents or other information available on those websites is incorporated in this Prospectus by reference.

Prospectus availability

Eligible Shareholders and participants in the Secondary Offers can obtain a copy of this Prospectus from the ASX website using the code "LOT", by visiting the Offer Website at www.computersharecas.com.au/LOToffer or by contacting the Company's share registry, Computershare Investor Services Pty Ltd (**Share Registry**) on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8:30am and 5:00pm (Sydney time), Monday to Friday (excluding public holidays). If you access the electronic version of this Prospectus, you should ensure that you download and read the entire Prospectus.

You will only be entitled to accept the Entitlement Offer by making a payment of the Application Money using the information provided on your personalised Application Form (refer to Section 6 of this Prospectus for further information).

Paper copies of this Prospectus and an Application Form can be obtained free of charge during the Retail Entitlement Offer Period by calling the Share Registry during the Retail Entitlement Offer Period. The Corporations Act prohibits any person from passing an Application Form on to another person unless it is attached to a hard copy of this Prospectus or a complete and unaltered electronic version of this Prospectus.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. In particular, this Prospectus may not be distributed or released in the United States. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

Foreign jurisdictions

This Prospectus has been prepared to comply with the requirements of the laws of Australia and is being sent to Eligible Shareholders and participants in the Secondary Offers. No action has been taken to register the New Securities in any jurisdiction outside of Australia.

The offer and sale of New Securities described in this Prospectus have not been, and will not be, registered under the U.S. Securities Act of 1933 (the **U.S. Securities Act**). Accordingly, the Entitlements may not be taken up by, and such securities may not be offered or sold to, any person in the United States except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and applicable securities laws of any state or other jurisdiction.

See Section 1.17 of this Prospectus for further details in relation to persons in other jurisdictions.

Trading New Securities

The Company will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade New Securities they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by the Company or the Share Registry or otherwise, or who otherwise trade or purport to trade New Securities in error or which they do not hold or are not entitled to.

If you are in any doubt as to these matters you should first consult with your stockbroker, solicitor, accountant or other professional adviser.

Exposure period

No exposure period applies to this Prospectus by operation of *ASIC Corporations (Exposure Period) Instrument 2026/90*.

Glossary

Terms and abbreviations used in this Prospectus are explained in the Glossary in Section 9 of this Prospectus.

A reference in this Prospectus to time is a reference to the local time in Perth, Western Australia, unless otherwise stated.

All financial amounts in this Prospectus are expressed in Australian dollars, unless otherwise stated.

Governing law

This Prospectus and the contracts that arise from acceptance of the Applications are governed by the laws applicable in Western Australia and each Applicant submits to the non-exclusive jurisdiction of the courts of Western Australia.

Enquiries

If you have any questions in relation to the Offers, please contact your stockbroker, solicitor, banker, financial adviser, accountant or other professional adviser.

If you have any enquiries in relation to an Application Form, please contact the Company's Share Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8:30am and 5:00pm (Sydney time), Monday to Friday (excluding public holidays).

CORPORATE DIRECTORY

Board of Directors

Michael Bowen	Non-Executive Chair
Gregory Bittar	Managing Director
Leanne Heywood	Non-Executive Director
Simon Hay	Non-Executive Director

CCO/Company Secretary

Hayden Bartrop

CFO

Melissa Roberts

Registered Office

Level 4, 225 St Georges Terrace
Perth WA 6000

Telephone: + 61 8 9200 3427

Website: www.lotusresources.com.au

Share Registry

Computershare Investor Services Pty Ltd
Level 17, 221 St Georges Terrace
Perth WA 6000

Telephone: +61 8 9323 2000

Solicitors

Allens
Level 11, Mia Yellagonga Tower 2
5 Spring Street
Perth WA 6000

Lead Manager to Entitlement Offer

Canaccord Genuity (Australia) Limited
Level 23, Exchange Tower
2 The Esplanade
Perth WA 6000

Chair's letter

Dear Shareholders

On 23 July 2026, the Company announced a proposed operational and balance sheet reset in respect of its flagship Kayelekera Project intended to de-risk ramp-up to steady-state production and provide necessary balance sheet enhancement while the Company targets first customer delivery and revenue in Q4, CY2026.

In support of the operational and balance sheet reset, the Company has announced:

(a) its intention to conduct a fully underwritten accelerated non-renounceable entitlement offer of new fully paid ordinary shares in Lotus Resources Limited (**New Shares**) at an offer price of A$0.22 per New Share (**Offer Price**) to raise approximately A$60 million (before costs) (**Entitlement Offer**); and

(b) that it had secured a binding commitment (subject to the satisfaction of certain conditions precedent, including Shareholder approval) for A$35 million of senior unsecured Convertible Notes from CVI Investments, Inc., (**CVI**), an investment entity managed by Heights Capital Management, Inc, to be issued with accompanying Detachable Warrants and a commitment from CVI to sub-underwrite up to A$5 million of the retail component of the Entitlement Offer (together, the **CVI Investment**),

(together, the **Offers**).

The proceeds under the Entitlement Offer and the CVI Investment, together with the Company's existing cash balance, will allow the Company to fund continued capital expenditure and working capital requirements to support the ramp-up of production at Kayelekera until positive cash flow from operations is achieved. The funds will also be used to meet other corporate funding requirements, including settlement of customer offtake obligations, costs associated with Letlhakane, costs relating to the Entitlement Offer, inventory financing costs and costs associated with the Convertible Note issue.

The Entitlement Offer is being conducted in two stages comprising an institutional offer (**Institutional Entitlement Offer**) and a retail offer (**Retail Entitlement Offer**), in accordance with the key dates set out below.

The Entitlement Offer is lead managed and fully underwritten by Canaccord Genuity (Australia) Limited (ACN 075 071 466) (**Canaccord** or the **Underwriter**), subject to the terms of the Underwriting Agreement. More detail is provided in Section 8.1 of this Prospectus.

The gross proceeds from the Offers are expected to be approximately A$60 million from the Entitlement Offer and approximately A$35 million from the Secondary Offers.

The Company intends to exit voluntary suspension and return to quotation upon the announcement of the results of the Institutional Entitlement Offer, subject to approval by ASX.

For further information about the Offers, including the uses of funds, please refer to the Company's Investor Presentation lodged with ASX on 23 July 2026 (**Investor Presentation**).

In parallel to these equity fundraising initiatives, Lotus continues to progress definitive documentation for its US$30 million Mercuria inventory financing facility in accordance with the binding commitment letter announced to ASX on 16 July 2026. Funding according to the binding commitment letter remains conditional upon the completion of legal and tax due diligence, agreement of definitive terms and no material adverse change.

Upon satisfaction of these conditions, the arrangement will provide Lotus with access to a marketing platform covering up to 3 million pounds of U_3O_8 over 30 months and a US$30 million inventory-backed prepayment facility accessible on a shipment-by-shipment basis, further strengthening the Company's liquidity and working capital position through accelerated cash receipts.

Operational and Strategic Update

The restart of operations at Kayelekera has involved a number of operational and execution challenges, reflecting the risks inherent in returning a plant to production following an extended period of care and maintenance. These challenges, together with broader geopolitical and supply chain pressures outside the Company's control, particularly those affecting reagent supply, resulted in a short period of temporary production suspension at Kayelekera and contributed to increased operating costs.

The Company has taken these matters into account in refining its operational and funding strategy and is now focused on the following key initiatives:

(a) finalising the implementation of an extensive processing optimisation program to address operational constraints, improve plant reliability and performance, achieve targeted recoveries and support the transition to sustainable steady-state production;

(b) a combination of renegotiating or settling 2H CY2026 delivery commitments to allow for delays in production and permitting timelines; and

(c) resetting the balance sheet with greater certainty around path to increasing production, deliveries and therefore the Company’s cash flow trajectory.

In addition to the advancement of these key ongoing initiatives, Lotus has completed critical interim furnace repair works on the Kayelekera acid plant during the mine's temporary shutdown. Final commissioning of the acid plant is a key strategic project for Kayelekera, delivering improved acid supply security, reduced reagent costs and reduced exposure to third-party supply disruptions.

The restart to date has provided positive operational validation, with mining activities well advanced, production rising month-on-month to 73.6klbs U_3O_8 in May and an increasing level of product being accepted by Orano CE.

Subject to restart of the Kayelekera plant after the current pause, we expect operations to be in a materially de-risked state: production restart targeted for early August and the resumption of ramp-up through the remainder of the 2H CY2026, pending completion of funding activities underpinned by the Entitlement Offer and the Secondary Offers, in particular, those extended to strategic financier, CVI.

The Company has recently commenced replenishing its acid supply. Deliveries are ongoing and the Company expects to have approximately 2,000t of acid on site by the end of July 2026. This quantity is expected to satisfy Kayelekera's acid requirements until the acid plant has been fully commissioned.

The Company is targeting first shipment ex Walvis Bay by the end of September, subject to final export approval, which would position the Company for first customer deliveries towards the end of November and into December 2026.

Details of the Offers

Under the Retail Entitlement Offer, eligible shareholders with a registered address in Australia or New Zealand and who are outside the United States are entitled to subscribe for one (1) New Share for every one (1) existing fully paid ordinary share in Lotus (**Share**) held at 7:00 pm (AEST) on 27 July 2026 (**Record Date**), at the Offer Price of A$0.22 per New Share.

The Offer Price for the Institutional Entitlement Offer and the Retail Entitlement Offer, which represents a:

(a) 66.7% discount to Lotus' last closing Share price of A$0.66; and

(b) 50.0% discount to the theoretical ex-rights price of A$0.44.

The Retail Entitlement Offer includes an Oversubscription Facility, pursuant to which Eligible Retail Shareholders who take up all of their Entitlement may apply for up to 50% of their Entitlement, in addition to their Entitlement, as Additional New Shares. New Shares will be issued on a fully paid basis and will rank equally with existing Shares on issue. Further details regarding the Oversubscription Facility are contained in Section 6.3.

The Entitlement Offer is non-renounceable and therefore Entitlements will not be tradeable on the ASX or any other exchange, or otherwise transferable. This means that Eligible Retail Shareholders who do not take up their Entitlement, in full or in part, will not receive any payment or value for those Entitlements and their percentage holding in Lotus will be reduced.

How to Apply

This Prospectus is important and requires your immediate attention. It should be read in conjunction with your personalised Entitlement Form and contains details of your Entitlement as well as other important information including:

(a) **Key dates** for the Entitlement Offer;

(b) instructions on **How to Apply**, setting out how to accept all or part of your Entitlement in the Retail Entitlement Offer, if you choose to do so and also how to apply for Additional New Shares in excess of your Entitlement pursuant to the Oversubscription Facility; and

(c) ASX **Offer Announcements** relating to the Entitlement Offer.

The Underwriter and/or the Company will provide Eligible Institutional Shareholders with details of their Entitlements and how to apply under the Institutional Entitlement Offer.

The Retail Entitlement Offer is scheduled to open on 30 July 2026 and close at 5:00pm (AEST) on 13 August 2026. Dates are indicative only and may be subject to change.

To participate in the Retail Entitlement Offer, please visit the Offer Website at www.computersharecas.com.au/LOToffer, where you can download this Prospectus along with your personalised Entitlement Form. You need to ensure that you have completed your Application by paying Application Monies via BPAY® pursuant to the instructions that are set out on the personalised Entitlement Form so that your payment via BPAY® has been received by the Company **by 5:00pm (AEST) on 13 August 2026**.

If you are an Eligible Retail Shareholder in New Zealand, you will have the option to pay via EFT using the Offer Website and following the instructions provided online. If you are otherwise unable to pay by BPAY® or are having difficulty paying by BPAY® please call the Lotus Offer Information Line 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8:30am and 5:00pm (Sydney time), Monday to Friday (excluding public holidays), before the Retail Entitlement Offer closes at 5:00pm (AEST) on 13 August 2026.

Additional information

Further information on the Retail Entitlement Offer is detailed in this Prospectus. **You should read the entirety of this Prospectus carefully (including the "Key Risks" section of the Investor Presentation released to ASX on 23 July 2026, the "Key Risks" Section of this Prospectus and Section 3 of this Prospectus) before deciding whether to participate in the Retail Entitlement Offer.**

If you have any further questions about the Retail Entitlement Offer, you should seek advice from your stockbroker, accountant or other independent professional adviser, or you can call the Lotus Offer Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8:30am and 5:00pm (Sydney time), Monday to Friday (excluding public holidays) during the Retail Entitlement Offer period.

The Prospectus together with details of your Entitlement Application Form is available online from the Offer Website at www.computersharecas.com.au/LOToffer. Paper copies (including a paper copy of your personalised Entitlement Form) can be requested by calling the Lotus Offer Information Line.

On behalf of the Board of Directors of Lotus, I thank you for your support of Lotus and look forward to your participation in the Entitlement Offer.

Yours sincerely,

Michael Bowen
Non-Executive Chair
Lotus Resources Limited

INVESTMENT OVERVIEW

Key Entitlement Offer details

Eligible Shareholders Entitlement	One (1) New Share for every one (1) Share held by Eligible Shareholders
Offer Price per New Share	A$0.22
Maximum amount to be raised under the Entitlement Offer before costs	A$60,146,292
Maximum number of New Shares to be issued under the Entitlement Offer	273,392,236
Maximum number of Shares on issue on completion of the Entitlement Offer	546,784,472

Key dates

Event	Date
Announcement of Entitlement Offer	Thursday, 23 July 2026
Lodgement of Prospectus with ASIC and ASX	Thursday, 23 July 2026
Offers open (excluding the Retail Entitlement Offer)	Thursday, 23 July 2026
Institutional Entitlement Offer closes	Friday, 24 July 2026
Announcement of completion of Institutional Entitlement Offer and trading expected to resume on an ex-entitlement basis	Monday, 27 July 2026
Record Date for the Entitlement Offer	7.00pm (AEST) on Monday, 27 July 2026
Retail Entitlement Offer opens	Thursday, 30 July 2026
Despatch of Prospectus and Entitlement Form to Eligible Retail Shareholders	Thursday, 30 July 2026
Settlement Date for New Shares under the Institutional Entitlement Offer	Friday, 31 July 2026
Allotment and quotation for New Shares issued under the Institutional Entitlement Offer	Monday, 3 August 2026
Closing Date for Retail Entitlement Offer	5.00pm (AEST) on Thursday, 13 August 2026
Announcement of completion of Retail Entitlement Offer and notification of any Shortfall	Friday, 14 August 2026
Settlement Date for New Shares issued under the Retail Entitlement Offer	Wednesday, 19 August 2026

Allotment and quotation for New Shares issued under the Retail Entitlement Offer	Thursday, 20 August 2026
General Meeting	Wednesday, 2 September 2026
Allotment of New Securities under Convertible Note Offer and Detachable Warrant Offer	Monday, 7 September 2026

Note: These dates (other than the date of this Prospectus and date of lodgement of this Prospectus with ASX and ASIC) are indicative only. The Company, with the consent of the Underwriter, reserves the right, subject to the Corporations Act, the ASX Listing Rules and other applicable laws, to vary the dates of the Offers, including by extending the Closing Date or accepting late applications, either generally or in particular cases, without notice.

OFFERS OVERVIEW

Question	Answer	Where to find more information
Who is the Issuer of this Prospectus?	Lotus Resources Limited (ACN 119 992 175).	N/A
What are the Offers?	The Offers are, collectively, the Entitlement Offer, the Convertible Note Offer and the Detachable Warrant Offer.	Section 1
How much will be raised from the Offers?	The Entitlement Offer will raise approximately A$60 million (before costs). The CVI Investment (excluding the CVI Sub-Underwriting Commitment) will raise approximately A$35 million (before costs). Together the Offers will raise approximately A$95 million (before costs).	Section 1
What is the Entitlement Offer?	The Entitlement Offer is a fully underwritten pro-rata non-renounceable entitlement offer of one (1) New Share for every one (1) Share held by Eligible Shareholders on the Record Date at an issue price of A$0.22 per New Share. The Entitlement Offer seeks to issue up to approximately 273,392,236 New Shares and raise up to approximately A$60 million (before costs). The Entitlement Offer consists of: (a) an accelerated offer to Eligible Institutional Shareholders (**Institutional Entitlement Offer**); and (b) an offer to Eligible Retail Shareholders (**Retail Entitlement Offer**). The Entitlement Offer is non-renounceable. This means that Eligible Shareholders who do not take up their Entitlements, will not receive any payment or value for those Entitlements, and their proportionate equity interest in the Company will be diluted.	Section 1.2
What is the purpose of the Entitlement Offer?	The funds raised by the Entitlement Offer, together with existing cash and funds raised under the Convertible Note Offer, will primarily be utilised to fund continued capital spend and working capital to support the ramp-up of production at Kayelekera until positive cash flow from operations is achieved, along with funding corporate expenditures, including Letlhakane costs and financing costs of the equity raise, inventory financing and Convertible Note issue costs.	Section 4
Is the Entitlement Offer Underwritten?	Yes. The Entitlement Offer is fully underwritten by the Underwriter.	Section 8.1

Question	Answer	Where to find more information
	Under the terms of the Underwriting Agreement, the Underwriter may sub-underwrite all or part of the Entitlement Offer to institutional and/or professional investors. CVI has pre-committed to sub-underwrite up to A$5 million of the Retail Entitlement Offer, in priority to a general pool of sub-underwriters. The underwriting is subject to the terms and conditions of the Underwriting Agreement.	
Am I an Eligible Shareholder?	The Entitlement Offer is made to Eligible Shareholders only. Eligible Institutional Shareholders are Shareholders that are Institutional Investors with a registered address in a Permitted Jurisdiction that the Underwriter determined in its discretion were eligible to participate in the Institutional Entitlement Offer and to receive an offer on behalf of the Company under the Institutional Entitlement Offer, provided that if they are in the United States, they must be either a QIB or an Eligible U.S. Fund Manager. An Eligible Retail Shareholder is a Shareholder who: (a) is registered as a holder of Shares at the Record Date, being 7.00pm (AEST) on 27 July 2026; (b) either: (i) as at the Record Date, has a registered address on the Company's Register in Australia or New Zealand and is not in the United States; or (ii) is a Director or senior executive of the Company in the United States, and therefore by definition is an "accredited investor" within the meaning of Rule 501(a)(4) under the U.S. Securities Act; (c) is not an Eligible Institutional Shareholder; and (d) is eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.	Section 1.6
What happens if I am a Shareholder on the Record Date but not an Eligible Shareholder?	You will not be entitled to subscribe for New Shares under the Entitlement Offer. Ineligible Shareholders will have their percentage shareholding in the Company (held at the Record Date) diluted as a result of the Offers (provided, as it relates to the Convertible Note Offer and Detachable Warrant Offer, such dilution only applies in respect of Shares issued on the conversion of the Convertible Notes or exercise of the Detachable Warrants (as applicable)).	Sections 1.18 and 6.4
What are the tax implications of	Taxation implications will vary depending upon the specific circumstances of individual Shareholders. Investors should	Section 8.11

Question	Answer	Where to find more information
participating in the Offer?	obtain their own professional advice as to the particular taxation treatment which will apply to them.	
Are there any risks?	There are risks associated with an investment in the Company. These include risks relating to the Company's business, risks relating to the Offers and risks associated with financial investments generally. In particular, the risks associated with not obtaining Shareholder approval at the General Meeting are described in Sections 3.2(e) and 3.2(f).	Section 3
What is the CVI Investment?	Subject to the conditions described below, CVI has: (a) pre-committed to subscribe for New Shares up to a value of A$5 million as part of the CVI Sub-Underwriting Commitment, with priority over allocations to any general sub-underwriters engaged by the Underwriter; and (b) agreed, in accordance with the terms of the Subscription Agreement to subscribe and apply for: (i) Convertible Notes with an aggregate principal amount of A$35 million as part of the Convertible Note Offer; and (ii) Detachable Warrants at nil consideration as part of the Detachable Warrant Offer. If all of the New Shares subscribed for by CVI as a result of the CVI Sub-Underwriting Commitment are allotted and issued to CVI, CVI's voting power in the Company will be up to 4.2%. The precise number of New Shares to be allotted and issued to CVI will depend on the amount of Shortfall Shares under the Retail Entitlement Offer. CVI's subscription for Convertible Notes and Detachable Warrants is subject to the conditions set out in Sections 7.2 and 7.3. If all of the Convertible Notes and Detachable Warrants are converted or exercised (as applicable) into Shares in accordance with their terms, CVI's voting power in the Company will be up to 9.9%, by operation of the Ownership Cap (as further described in Section 7.2). The precise number of Shares to be issued to CVI as a result of the conversion of Convertible Notes or exercise of Detachable Warrants will be subject to the terms and conditions of those New Securities as described in Sections 7.2 and 7.3. Under the terms of the Subscription Agreement, if the issue of any Shares to CVI as a result of the conversion of the	Section 1.3

Question	Answer	Where to find more information
	Convertible Notes or exercise of the Detachable Warrants would result in its aggregate voting power exceeding 9.9%, the equivalent value of those Shares will instead be settled in cash. Further detail is contained in Sections 7.2 and 7.3.	
What effect will the issue of New Shares have on the control of the Company?	The Company is of the view that the Offers will not affect the control (as defined by section 50AA of the Corporations Act) of the Company. So far as the Company is aware, no new investor or existing Shareholder will have a voting power greater than 20% as a result of the completion of the Offers.	Section 4.2
Will the New Shares be quoted?	Application for quotation of all New Shares to be issued under the Entitlement Offer will be made to the ASX in accordance with the Timetable. The Company does not intend to apply for quotation on the ASX of any other New Securities.	Section 1.24
Where can I find more information about the Company?	For more information on the Company and its projects please see the Company's website (www.lotusresources.com.au) and the Company's ASX announcements (also available on the Company's website and the ASX's website (www.asx.com.au)).	

ACTIONS FOR ELIGIBLE SHAREHOLDERS

Question	Answer	Where to find more information
How do Eligible Shareholders find out what their Entitlement is?	Your Entitlement is set out on your personalised Entitlement Form which can be downloaded, along with this Prospectus, from the Offer Website at www.computersharecas.com.au/LOToffer.	Entitlement Form
Can I sell my Entitlement under the Entitlement Offer?	No. The Entitlement Offer is non-renounceable, meaning Entitlements are not able to be traded or transferred, and any Entitlements not taken up will lapse and no value will be received for them. If you do not participate in the Entitlement Offer, you will not receive any value for your Entitlement.	Section 1.9
What are the alternatives for Eligible Retail Shareholders under the Entitlement Offer?	An Eligible Retail Shareholder may: (a) take up all of their Entitlement; (b) take up all of their Entitlement and apply for Additional New Shares; (c) take up part of their Entitlement and allow the balance of their Entitlement to lapse; or (d) take no action and allow all of their Entitlement to lapse.	Section 6
How do Eligible Retail Shareholders participate in the Entitlement Offer?	Applications for the Retail Entitlement Offer may only be made by Eligible Retail Shareholders during the Retail Entitlement Offer Period by following the payment instructions on an Entitlement Form. Please visit the Offer Website at www.computersharecas.com.au/LOToffer, where you can download this Prospectus along with your personalised Entitlement Form. You need to ensure that you have completed your application by paying Application Monies via BPAY® pursuant to the instructions that are set out on the personalised Entitlement Form so that your payment via BPAY® has been received by the Company by 5.00pm (AEST) on 13 August 2026. If you are an Eligible Retail Shareholder with a registered address in Australia or New Zealand and you are unable to pay via BPAY® you will have the option to pay via EFT using the Offer Website and following the instructions online. If you are otherwise unable to pay by BPAY® or are having difficulty paying by BPAY® please call the Lotus Offer Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8:30am and 5:00pm (Sydney time), Monday to Friday (excluding public	Section 6

Question	Answer	Where to find more information
	holidays), before the Retail Entitlement Offer closes at 5.00pm (AEST) on 13 August 2026.	
Can Eligible Retail Shareholders apply for New Shares in excess of their Entitlement?	Yes. Under the Oversubscription Facility, Eligible Retail Shareholders (other than Directors and related parties) who have applied for their full Entitlement may also apply for Additional New Shares, capped at a maximum of 50% of their Entitlement. It is possible that there will be few or no Additional New Shares available for issue, depending on the level of take up of Entitlements by Eligible Retail Shareholders. There is also no guarantee that in the event Additional New Shares are available for issue, they will be allocated to all or any of the Eligible Retail Shareholders who have applied for them. The Company shall allot and issue any Additional New Shares in accordance with the allocation policy set out in Section 1.5 of this Prospectus. Eligible Retail Shareholders who apply for Additional New Shares should note that the Company will not allocate or issue Additional New Shares where it is aware that to do so would result in a breach of the Corporations Act, the ASX Listing Rules or any other relevant regulation or law. Eligible Shareholders wishing to apply for Additional New Shares must consider whether or not the issue of the Additional New Shares applied for would breach the Corporations Act, the ASX Listing Rules or any other relevant regulation or law having regard to their own circumstances.	Section 6.3
How will Shortfall Shares be allocated?	Any New Shares not subscribed for under the Entitlement Offer (including the Oversubscriptions Facility) will become Shortfall Shares. Subject to the terms of the Underwriting Agreement, if any New Shares are not validly subscribed for under the Entitlement Offer, the Underwriter must subscribe or procure subscription and pay or procure payment of the Offer Price in respect of the Shortfall Shares. Shortfall Shares will not be allocated or issued where the Underwriter and the Company consider that to do so would result in a breach of the Corporations Act, the ASX Listing Rules or any other relevant regulation or law.	Section 1.5
Enquiries	If you have any enquiries in relation to the Application, please contact the Company's Share Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8:30am and 5:00pm (Sydney time), Monday to Friday (excluding public holidays) or consult your professional adviser.	Corporate Directory

KEY RISKS

Subscribing for New Securities the subject of this Prospectus involves a number of risks. The risk factors set out in Section 3 of this Prospectus and other general risks applicable to all investments in listed securities not specifically referred to may in the future affect the value of the Shares. Some of these factors can be mitigated by appropriate commercial action. However, many are outside the control of the Company, dependent on the policies adopted and approaches taken by regulatory authorities or cannot otherwise be mitigated.

If any person is unsure about subscribing for New Shares they should first seek advice from their stockbroker, solicitor, banker, financial adviser, accountant or other professional adviser.

The following sets out a summary of some of the key risks relevant to the Company and its operations:

Risk	Details	Where to find more information
Kayelekera ramp-up and operation risks and execution of capital projects	Production at Kayelekera is currently subject to a temporary suspension and is expected to resume its ramp-up in early August 2026. Significant risks exist in restarting and ramping up operations, including mechanical or equipment defects or failures, difficulties commissioning and operating plant and equipment, the need to produce uranium concentrate to converter specification (against a background of prior quality issues) and an inherent risk that recently completed interim repair and remediation work on the acid plant does not perform as intended in the near term, ahead of a full relining expected in Q4 CY2026. More broadly, operations are exposed to risks including adverse weather, geotechnical issues, shortages or cost increases in key consumables (including sulphur, sulphuric acid and diesel), external service failures, industrial disputes, and the inability to secure necessary permits, approvals or supplies. Reliable operational decision-making during ramp-up also depends on accurate sampling, assaying, laboratory analysis and metallurgical accounting. Deficiencies in these systems could adversely affect reported operating metrics, production forecasts, recovery estimates and the Company's ability to reconcile actual performance against its mine plan. As a consequence of these risks, actual operational performance may differ materially from the Company's mine plan and forecasts, and no material cash inflows from mining assets are expected until Q1 CY2027.	Sections 3.2(a) and 3.2(b)
Supply chain and counterparty risk	Kayelekera operates within a complex supply chain in a jurisdiction with limited availability of qualified local contractors. The Company is dependent on the availability of key inputs, in particular diesel, sulphur (or sulphuric acid) and hydrogen peroxide, the pricing and availability of which have been adversely impacted by Middle East geopolitical developments.	Section 3.2(c)

Risk	Details	Where to find more information
	Financial failure or default by a significant contractor or supplier, or any interruption to materials or inputs, could materially and adversely affect the Company's operations and financial performance.	
Uranium price risk	The uranium price is subject to significant volatility driven by global supply and demand dynamics, geopolitical developments, competition from alternative energy sources, and regulatory changes affecting the nuclear energy sector. There is no guarantee that a profitable market will exist for uranium produced from the Company's assets.	Section 3.2(d)
CVI, Mercuria, and general funding risk and arrangements	The Company's operations depend on its ability to secure and maintain adequate funding, including via the CVI Facility (subject to Shareholder approval and other conditions precedent), the underwritten Entitlement Offer, and the Mercuria inventory financing facility (which remains subject to finalisation of definitive documentation). If any of these arrangements are delayed or do not proceed, the Company may need to seek alternative financing on less favourable terms. The Company is also subject to financial covenants under its debt facilities, and any breach, including as a result of production, revenue, or cash flow shortfalls, could result in acceleration of debt obligations or other enforcement action.	Sections 3.2(e). 3.2(f), 3.2(k) and 3.2(o)
Ground Stabilisation at Kayelekera	Ground movement on the plant terrace at Kayelekera has been a known issue since 2012, with investigations indicating the movement occurs along an existing slip surface under strain. A range of mitigation measures have been adopted, including relocation of stockpiles, de-pressurisation of water-bearing rock layers, construction of a gabion wall on the western side of the terrace, and civil and earthwork design changes incorporating movement tolerance. A monitoring and management plan has been implemented to enable Lotus to proactively respond to any effects of the movement, though this does not currently extend to all plant and equipment. There is no guarantee that the current management plan will prove sufficient or that ongoing geotechnical work will continue to support it. Should the plan fail, resulting in accelerated ground movement, material capital costs may need to be incurred by the Company to further mitigate or remediate the issue. Failure of the management plan may also present significant business interruption to operations.	Section 3.2(g)
Regulatory	The Company's operations require ongoing approvals, licences, and permits, including export and transport permits for uranium concentrates, which are issued on a per-shipment basis and must be obtained continuously. Delays in, or failure to obtain,	Section 3.2(h)

Risk	Details	Where to find more information
	required permits could disrupt shipments and defer cash receipts. Non-compliance, even if inadvertent, could result in fines, penalties, suspension of operations, or forfeiture of tenements.	
Political risks, government actions and foreign jurisdictions	Lotus operates in Malawi, which is subject to elevated fiscal pressures, currency depreciation risk, high inflation, and reliance on external financing. The government may seek to increase returns from the mining sector through changes to taxation, royalties, or export controls. Exchange control regulations currently require mandatory conversion of 25% of export proceeds into Malawi Kwacha within two business days of receipt. Lotus is working with the Reserve Bank of Malawi to obtain a waiver from this regulation so as to only be required to convert sufficient funds to meet Malawi Kwacha expenditure. The regulatory framework for mining in Malawi remains in a developing phase. Separately, the ongoing Iran conflict continues to affect pricing and availability of diesel and sulphur in the region.	Section 3.2(i)
Underwriting risk	The Underwriter may terminate the Underwriting Agreement upon the occurrence of certain termination events prior to completion of the Entitlement Offer. Termination would have a materially adverse impact on proceeds raised and may require the Company to seek alternative funding, which may not be available on favourable terms or at all.	Section 3.2(j)
Mercuria Transaction	The Mercuria marketing and inventory financing facility remains subject to finalisation of definitive documentation, no material adverse change and ongoing legal and tax due diligence. As the facility is structured as an inventory prepayment arrangement linked to individual shipments rather than a committed lump-sum facility, the timing of drawdowns is directly tied to the qualification and timing of uranium shipments and associated documentation. A delay in completing documentation or in individual shipments could reduce short-term liquidity headroom during the ramp-up period. In the event the Mercuria Transaction does not proceed, the Company believes alternative inventory financing providers would be available, although such alternatives would likely provide funding later in the uranium sales cycle and the Company may need to implement cash management measures in the interim.	Section 3.2(k)
Offtake risk	The Company has fixed-price delivery obligations under offtake agreements from 2026 to 2029, which limit upside exposure if the uranium spot price exceeds contracted levels. If the Company is unable to deliver contracted volumes and force majeure does not apply, it may be required to pay the difference between the spot price and the contracted price, or procure	Section 3.2(r)

Risk	Details	Where to find more information
	volumes at spot. Default under offtake agreements could result in significant financial damages and reputational harm affecting the Company's ability to secure future offtake arrangements.	

In addition, there are a number of general risks that are common to all investments in shares and are not specific to the business model and operations of the Company. Further details regarding risks that may affect the Company in the future are set out in Section 3.

The New Shares offered under this Prospectus carry no guarantee of profitability, dividends, return of capital or the price at which they may trade on the ASX. The past performance of the Company should not be considered a guide to its future performance.

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1 Details of the Entitlement Offer and Secondary Offers

The information set out in this Section 1 is not intended to be comprehensive and should be read in conjunction with the full text of this Prospectus.

The purpose of the Entitlement Offer and the use of funds raised are set out in Section 4.

1.1 Rationale for the Entitlement Offer and Secondary Offers

The restart of operations at Kayelekera has involved a number of operational and execution challenges, reflecting the risks inherent in returning a plant to production following an extended period of care and maintenance. These challenges, together with broader geopolitical and supply chain pressures outside the Company's control, particularly those affecting reagent supply, resulted in a short period of temporary production suspension at Kayelekera and contributed to increased operating costs.

The Company has taken these matters into account in refining its operational and funding strategy and is now focused on the following key initiatives:

(a) finalising the implementation of an extensive processing optimisation program to address operational constraints, improve plant reliability and performance, achieve targeted recoveries and support the transition to sustainable steady-state production;

(b) a combination of renegotiating or settling 2H CY2026 delivery commitments to allow for delays in production and permitting timelines; and

(c) resetting the balance sheet with greater certainty around path to increasing production, deliveries and therefore the Company's cash flow trajectory.

In support of these initiatives, the Company is undertaking the Offers, comprising:

(a) a fully underwritten accelerated non-renounceable entitlement offer to raise approximately A$60 million, comprising the Entitlement Offer; and

(b) a strategic financing commitment from CVI comprising A$35 million of senior unsecured convertible notes, with accompanying detachable warrants, comprising the Convertible Note Offer and Detachable Warrant Offer.

The issues of New Securities under the Convertible Note Offer and the Detachable Warrant Offer are conditional on receipt of Shareholder approval. The Company expects to hold a General Meeting in late August 2026 at which Shareholders will be given the opportunity to consider approval of these issues of New Securities.

Together, the Offers are intended to provide the Company with additional funding flexibility and balance sheet support while the Company progresses acid replenishment, recommences production and continues the ramp-up of Kayelekera through 2H CY2026.

1.2 Overview of the Entitlement Offer

The Entitlement Offer is being made as a fully underwritten pro-rata accelerated non-renounceable entitlement offer of one (1) New Share for every one (1) Share held by Eligible Shareholders registered at the Record Date at an issue price of A$0.22.

The Entitlement Offer made under this Prospectus will consist of:

(a) an offer to Eligible Institutional Shareholders (**Institutional Entitlement Offer**); and

(b) an offer to Eligible Retail Shareholders (**Retail Entitlement Offer**),

each of which are described below.

Based on the capital structure at the date of this Prospectus (and assuming no convertible Securities are converted to Shares prior to the Record Date), a maximum of 273,392,236 New

Shares will be issued pursuant to the Entitlement Offer to raise approximately A$60 million (before costs).

The Entitlement Offer is non-renounceable, meaning that Entitlements are not able to be traded or transferred, and any Entitlements not taken up will lapse and no value will be received for them.

The Entitlement Offer is fully underwritten by the Underwriter on the terms and conditions of the Underwriting Agreement as summarised in Section 8.1.

All of the New Shares will rank equally with the Shares on issue at the date of this Prospectus. Refer to Section 7.1 for a summary of the rights attaching to New Shares.

Institutional Entitlement Offer

Under the Institutional Entitlement Offer, Eligible Institutional Shareholders are invited to:

(a) take up all or part of their Entitlement; and

(b) together with certain Institutional Investors participate in a bookbuild process to acquire New Shares not taken up by Eligible Institutional Shareholders as well as New Shares in respect of the Entitlements of Ineligible Institutional Shareholders,

in each case at the Offer Price.

The Underwriter and/or the Company will provide Eligible Institutional Shareholders with details of their Entitlements and how to apply under the Institutional Entitlement Offer.

The Institutional Entitlement Offer is expected to open on 23 July 2026 and close on 27 July 2026, or such later date as determined by the Company in its absolute discretion, subject to compliance with the ASX Listing Rules. The results of the Institutional Entitlement Offer will be announced on 27 July 2026. The New Shares subscribed for under the Institutional Entitlement Offer are expected to be issued and commence trading on 3 August 2026.

Retail Entitlement Offer

Under the Retail Entitlement Offer, Eligible Retail Shareholders are invited to:

(a) take up all of their Entitlement (see Section 6.2);

(b) take up part of their Entitlement and allow the balance to lapse (see Section 6.2);

(c) take up all of their entitlement and subscribe for Additional New Shares via the Oversubscription Facility, further details of which are contained in Section 6.3; or

(d) do nothing, in which case their Entitlement will lapse and they will receive no value for their Entitlement (see Section 6.4).

In each case, Eligible Retail Shareholders are invited to take up their Entitlement or subscribe for Additional New Shares at the Offer Price.

If you are an Eligible Retail Shareholder, a personalised Entitlement Form setting out your Entitlement can be downloaded by visiting the Offer Website at www.computersharecas.com.au/LOToffer or you may request that a paper Entitlement Form be mailed to you by calling the Lotus Offer Information Line. If you have more than one registered holding of Shares, you will have access to more than one personalised Entitlement Form and you will have separate Entitlements for each separate holding.

The Retail Entitlement Offer is expected to open on 30 July 2026 and close on 5:00pm (AEST) on 13 August 2026, or such later date as determined by the Company in its absolute discretion, subject to compliance with the ASX Listing Rules. The New Shares subscribed for under the Retail

Entitlement Offer (including any Additional New Shares) are expected to be issued on 20 August 2026 and commence trading on 20 August 2026.

1.3 CVI Investment

CVI has:

(a) pre-committed to subscribe for New Shares up to a value of A$5 million as part the CVI Sub-Underwriting Commitment, with priority over allocations to any general sub-underwriters in respect of the Retail Entitlement Offer; and

(b) agreed, in accordance with the terms of the Subscription Agreement to subscribe and apply for:

  (i) Convertible Notes with an aggregate principal amount of A$35 million as part of the Convertible Note Offer; and

  (ii) Detachable Warrants at nil consideration as part of the Detachable Warrant Offer.

If all of the New Shares subscribed for by CVI as a result of its sub-underwriting of the Retail Entitlement Offer are allotted and issued to CVI, CVI's voting power in the Company will be up to 4.2%. The precise number of New Shares to be allotted and issued to CVI will depend on the amount of Shortfall Shares under the Retail Entitlement Offer.

If all of the Convertible Notes and Detachable Warrants are converted or exercised (as applicable) into Shares in accordance with their terms, CVI's voting power in the Company will be up to 9.9%, by operation of the Ownership Cap (as further described in Section 7.2). The precise number of Shares to be issued to CVI as a result of the conversion of Convertible Notes or exercise of Detachable Warrants will be subject to the terms and conditions of those New Securities as described in Sections 7.2 and 7.3. If the issue of any Shares to CVI as a result of the conversion of any Convertible Notes or exercise of the Detachable Warrants would result in CVI's aggregate voting power in the Company exceeding, in certain circumstances, 9.99% (being the maximum percentage to which the Ownership Cap may be increased by the Noteholder in accordance with the Subscription Agreement), including in circumstances where the Company allots the maximum number of New Shares to CVI according to the CVI Sub-Underwriting Commitment and CVI subsequently proceeds to convert all of the Convertible Notes and exercise all of the Detachable Warrants into Shares, the equivalent value of those Shares will instead be settled in cash by the Company in accordance with the terms of the Subscription Agreement (including the Convertible Note Terms and Conditions and the Detachable Warrant Deed Poll) described in Sections 7.2 and 7.3.

Therefore, in all circumstances, CVI's maximum voting power in the Company will be 9.99%.

1.4 Mercuria Transaction

The Company has signed a binding commitment letter with Mercuria for a proposed US$30 million inventory financing facility.

The proposed Mercuria arrangement comprises a 30-month uranium marketing agreement and an associated inventory prepayment facility of up to US$30 million. The facility is intended to accelerate cash conversion by providing funding against qualifying uranium shipments once product has been loaded and the required shipping documentation has been presented.

The facility is expected to operate on a shipment-by-shipment basis, rather than as a fully drawn committed facility. For each qualifying shipment, Mercuria is expected to advance more than 80% of the shipment value, with the balance to be settled once payment is received from the end customer (or, if the Company does not exercise its marketing rights, after a specified period following delivery). This is expected to materially shorten the period between shipment and cash receipt and reduce the working capital burden associated with inventory and trade receivables.

Availability under the facility will be subject to (among other things):

(a) production and shipment of qualifying uranium product;

(b) presentation of required shipping and sales documentation;

(c) satisfaction of any applicable conditions precedent contained in the definitive facility documentation; and

(d) ongoing compliance with the terms under the facility.

As at the date of this Prospectus, the parties have executed a binding commitment letter and are progressing definitive facility documentation.

See details regarding the terms of the Mercuria Transaction at Section 7.4 and the associated risks relating to the Mercuria Transaction at Section 3.2(k).

1.5 Shortfall Shares

Any Entitlements not taken up under the Entitlement Offer (including the Oversubscription Facility) will become Shortfall Shares.

The allocation of any Shortfall Shares in respect of the Institutional Entitlement Offer will be determined by the Underwriter in consultation with the Company.

If any New Shares are not subscribed for under the Retail Entitlement Offer, these New Shares will be allocated in priority to Eligible Retail Shareholders who have applied for Additional New Shares under the Oversubscription Facility.

Subject to the terms of the Underwriting Agreement, to the extent that there are Shortfall Shares in respect of the Retail Entitlement Offer after all of the New Shares have been allocated to Eligible Retail Shareholders participating in the Retail Entitlement Offer and applying for Additional New Shares under the Oversubscription Facility, the Underwriter must subscribe or procure subscriptions, and pay or procure payment of the Offer Price in respect of, these Shortfall Shares.

The Shortfall Shares will be offered and issued at the Offer Price. The Shortfall Shares will have the same rights as the New Shares as detailed in Section 7.1.

The Underwriter has agreed to enter into a priority sub-underwriting agreement with CVI in relation to New Shares not subscribed for under the Retail Entitlement Offer (as described in Section 1.3), and may enter into further sub-underwriting arrangements for part of the Entitlement Offer with other Institutional Investors.

1.6 Eligibility to Participate in the Entitlement Offer

Participation in the Entitlement Offer is optional, subject to Shareholders meeting the eligibility criteria set out below and the terms and conditions of this Prospectus. The Entitlement Offer is only open to Eligible Shareholders.

(a) **Eligible Institutional Shareholders**

Eligible Institutional Shareholders are Shareholders that are Institutional Investors that are registered as a holder of Shares as at 7:00pm (AEST) on 27 July 2026 with a registered address in a Permitted Jurisdiction that the Underwriter determined in its discretion were eligible to participate in the Institutional Entitlement Offer and to receive an offer on behalf of the Company under the Institutional Entitlement Offer, provided that if they are in the United States, they must be either a QIB or an Eligible U.S. Fund Manager.

An Institutional Investor that does not satisfy the criteria to be an Eligible Institutional Shareholder is an **Ineligible Institutional Shareholder**.

Determination of eligibility of investors for the purposes of the Entitlement Offer, and in particular, the question as to whether an eligible shareholder is an Eligible Institutional Shareholder or an Eligible Retail Shareholder, was determined by reference to a number of matters, including legal requirements and regulatory requirements, logistical and registry constraints and the discretion of the Company and/or the Underwriter. The Company, the Underwriter and each of their respective Beneficiaries, disclaim any duty or liability (including for fault, negligence and negligent misstatement) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law.

(b) **Eligible Retail Shareholders**

An Eligible Retail Shareholder is a Shareholder who:

(i) is registered as a holder of Shares at the Record Date, being 7:00pm (AEST) on 27 July 2026;

(ii) Either

(A) as at the Record Date, has a registered address on the Company's Register in Australia or New Zealand and is not in the United States; or

(B) is a Director or senior executive of the Company in the United States, and therefore by definition is an "accredited investor" within the meaning of Rule 501(a)(4) under the U.S. Securities Act;

(iii) is not an Eligible Institutional Shareholder; and

(iv) is eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Any retail Shareholders who are not Eligible Retail Shareholders are **Ineligible Retail Shareholders.**

The Company (in its absolute discretion) reserves the right to determine whether a Shareholder is an Eligible Retail Shareholder and therefore able to participate in the Retail Entitlement Offer and may (in its absolute discretion) agree to extend the Retail Entitlement Offer to certain institutional shareholders in foreign jurisdictions who did not participate in the Institutional Entitlement Offer, subject to compliance with applicable laws.

Further, the Company (in its absolute discretion) may determine whether a Shareholder is an Ineligible Retail Shareholder and therefore unable to participate in the Retail Entitlement Offer. The Company disclaims all liability to the maximum extent permitted by law in respect of the determination as to whether a security holder is an Eligible Retail Shareholder or an Ineligible Retail Shareholder.

1.7 Director participation

The relevant interest of each of the Directors in the Securities of the Company as at the date of this Prospectus is set out in the table in Section 2.2.

As at the date of this Prospectus, all Directors intend on taking up their full Entitlements under, and to sub-underwrite (provided that there is available Shortfall Shares), such number of New Shares under the Retail Entitlement Offer as are necessary to raise aggregate total proceeds of A$400,000

(**Director Participation**). Participation across individual Directors according to their priority sub-underwriting intentions is subject to final determination.

Any New Shares sub-underwritten by the Directors in accordance with the Director Participation are intended to be allotted in equal priority to the priority sub-underwriting commitments (including the CVI Sub-Underwriting Commitment) described in Section 1.5.

1.8 Opening Date and Closing Date

The Institutional Entitlement Offer is expected to open on 23 July 2026 and to close on 27 July 2026.

The Retail Entitlement Offer is expected to open on 30 July 2026 and close at 5.00pm (AEST) on 13 August 2026.

The Company, in consultation with the Underwriter, reserves the right, subject to the Corporations Act and the ASX Listing Rules, to vary these dates without prior notice, including to extend a Closing Date, or to accept late Applications, or to delay or withdraw the Offers (or any part of the Offers). If an offer is withdrawn, all application monies for New Shares under that offer which have not been issued will be refunded (without interest) as soon as practicable.

1.9 Non-renounceable offer

The Entitlement Offer is non-renounceable. Accordingly, Eligible Shareholders may not sell or transfer all or part of their Entitlement.

1.10 Allocation and scale back

The Company, together with the Underwriter, reserves the right to scale back any applications for Additional New Shares in their absolute and sole discretion. When determining the amount (if any) by which to scale back an application, the Company and the Underwriter may take into account a number of factors, including the size of an Applicant's shareholding in the Company, the extent to which an Applicant has sold or bought Shares in the Company before and after both the announcement of the Entitlement Offer and the Record Date, as well as when the application was made. No interest will be paid on any Application amount paid or refunded.

The Company cannot guarantee that all Eligible Retail Shareholders will receive the number of Additional New Shares applied for under their application for Additional New Shares. If an Eligible Retail Shareholder does not receive any or all of the New Shares applied for under their Application for Additional New Shares, the excess Application Monies will be returned to the Eligible Retail Shareholder without interest.

Eligible Retail Shareholders who apply for Additional New Shares should note that the Company will not allocate or issue Additional New Shares where it is aware that to do so would result in a breach of the Corporations Act, the ASX Listing Rules or any other relevant regulation or law. Eligible Shareholders wishing to apply for Additional New Shares must consider whether or not the issue of the Additional New Shares applied for would breach the Corporations Act, the ASX Listing Rules or any other relevant regulation or law having regard to their own circumstances. Further details on how to participate in the Offers are set out in Section 6.

1.11 Minimum Subscription

There is no minimum subscription for the Offers.

1.12 Issue

New Securities issued pursuant to the Offers will be issued in accordance with the ASX Listing Rules and Timetable.

The Company expects that the New Shares offered under the Institutional Entitlement Offer will be issued and will commence trading on the ASX on 3 August 2026. The Company expects that the New Shares offered under the Retail Entitlement Offer will be issued on 20 August 2026 and will commence trading on the ASX on 20 August 2026. These dates are subject to change at the absolute discretion of the Company (subject to applicable laws).

Pending the issue of the New Shares under the Offers or payment of refunds pursuant to this Prospectus, all Application Monies in respect of the Offers will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for New Shares issued under the Offers will be mailed in accordance with the ASX Listing Rules and Timetable.

1.13 Notice to Nominees and Custodians

Nominees and Custodians may not distribute this Prospectus (including any Application Form), and may not permit any beneficial Shareholder to participate in the Entitlement Offer, in any country outside of Australia or New Zealand, except to any beneficial Shareholder who is an Institutional Investor in another Permitted Jurisdiction (excluding Canada and the United States), or with the prior consent of the Company, to beneficial Shareholders resident in certain other countries where the Company may determine it is lawful and practical to make the Offers. Return of a duly completed Entitlement Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

1.14 Timetable

The indicative Timetable for the Offers is set out at the commencement of this Prospectus under the Section titled “Key Dates” above.

The Directors reserve the right to extend the offer period in relation to one or more of the Offers, or to close any of the Offers prior to their Closing Dates, subject to the requirements of the Corporations Act and the ASX Listing Rules.

The Directors may withdraw this Prospectus or each of the Offers at any time prior to the issue of New Securities pursuant to that Offer.

1.15 General Meeting

The Company will seek Shareholder approval for the following matters related to the Secondary Offers at the General Meeting to be held in August 2026:

(a) the issue of Convertible Notes to CVI pursuant to the Convertible Note Offer; and

(b) the issue of Detachable Warrants to CVI pursuant to the Detachable Warrant Offer.

1.16 Financial position

The effect of the Offers on the financial position of the Company is set out in Section 4.

1.17 Treatment of Foreign Shareholders

This Prospectus does not constitute an offer of New Shares in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

Canada (British Columbia, Ontario and Quebec provinces)

This document constitutes an offering of New Shares only in the Provinces of British Columbia, Ontario and Quebec (the "Provinces"), only to persons to whom New Shares may be lawfully distributed in the Provinces, and only by persons permitted to sell such securities. This document is not a prospectus, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to investors that are both (i) "accredited investors" (as defined in National Instrument 45-106 – *Prospectus Exemptions*) and (ii) "permitted clients" (as defined in National Instrument 31-103 – *Registration Requirements, Exemptions and Ongoing Registrant Obligations*).

No securities commission or authority in the Provinces has reviewed or in any way passed upon this document, the merits of the New Shares or the offering of the New Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws. While such resale restrictions generally do not apply to a first trade in a security of a foreign, non-Canadian reporting issuer that is made through an exchange or market outside Canada, Canadian purchasers should seek legal advice prior to any resale of the New Shares.

The Company as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada.

Statutory rights of action for damages and rescission. Securities legislation in certain Provinces may provide a purchaser with remedies for rescission or damages if an offering memorandum contains a misrepresentation, provided the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's Province. A purchaser may refer to any applicable provision of the securities legislation of the purchaser's Province for particulars of these rights or consult with a legal adviser.

Certain Canadian income tax considerations. Prospective purchasers of the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the New Shares as there are Canadian tax implications for investors in the Provinces.

Language of documents in Canada. Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux* *présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

European Union (excluding Austria)

This document has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this document may not be made available, nor may the New Shares be offered for sale, in the European Union except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "Prospectus Regulation").

In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of New Shares in the European Union is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). Accordingly, this document may not be distributed, and the New Shares may not be offered or sold, in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.

Other than in the Entitlement Offer, New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

(a) is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;

(b) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;

(c) is large within the meaning of clause 39 of Schedule 1 of the FMC Act;

(d) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or

(e) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the "SFA") or another exemption under the SFA.

This document has been given to you on the basis that you are an "institutional investor" or an "accredited investor" (as such terms are defined in the SFA). If you are not such an investor, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Switzerland

The New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange or on any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the New Shares constitutes a prospectus or a similar notice, as such terms are understood under art. 35 of the Swiss Financial Services Act or the listing rules of any stock exchange or regulated trading facility in Switzerland.

No offering or marketing material relating to the New Shares has been, nor will be, filed with or approved by any Swiss regulatory authority or authorised review body. In particular, this document will not be filed with, and the offer of New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

Neither this document nor any other offering or marketing material relating to the New Shares may be publicly distributed or otherwise made publicly available in Switzerland. The New Shares will only be offered to investors who qualify as "professional clients" (as defined in the Swiss Financial Services Act). This document is personal to the recipient and not for general circulation in Switzerland.

United Kingdom

This document has not been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of Regulation 21 of The Public Offers and Admissions to Trading Regulations 2024 ("POATRs")) has been published or is required to be published in respect of the New Shares.

This document is issued on a confidential basis to "qualified investors" (within the meaning of paragraph 2 of Schedule 1 to the POATRs) in the United Kingdom. The New Shares may not be offered or sold in the United Kingdom by means of this document or any other document except pursuant to an exemption from the general prohibition on offers of relevant securities to the public in the United Kingdom. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000, as amended ("FSMA")) received in connection with the offer or sale of the New Shares has been, and only will be, communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated ("relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

The New Shares may be offered and sold in the United States under the Institutional Entitlement Offer only to:

(a) "qualified institutional buyers" (as defined in Rule 144A under the US Securities Act); and

(b) dealers or other professional fiduciaries organized or incorporated in the United States that are acting for a discretionary or similar account (other than an estate or trust) held for the benefit or account of persons that are not US persons and for which they exercise investment discretion, within the meaning of Rule 902(k)(2)(i) of Regulation S under the US Securities Act.

1.18 Ineligible Shareholders

The Company is of the view that it is unreasonable to extend the Entitlement Offer to Ineligible Shareholders, having regard to:

(a) the number of Ineligible Shareholders;

(b) the number and value of the New Shares which would be offered to Ineligible Shareholders if they were Eligible Shareholders; and

(c) the cost of complying with the legal requirements, and requirements of the regulatory authorities, in the respective overseas jurisdictions.

Accordingly, the Entitlement Offer is not being extended to Ineligible Shareholders. The Company will send all Ineligible Shareholders details of the Entitlement Offer and advise that the Company is not extending the Entitlement Offer to them.

In limited circumstances, and in the Company's absolute discretion, the Company may elect to treat as Eligible Shareholders certain sophisticated and professional investors who would otherwise not be Eligible Shareholders because their registered addresses are not in a Permitted Jurisdiction.

1.19 Overview of the Secondary Offers

On 23 July 2026, the Company announced that it had entered into a subscription agreement with CVI, an investment entity managed by Heights Capital Management, Inc (**Subscription Agreement**) for the issue of A$35 million worth of senior unsecured zero coupon Convertible Notes on the terms of the Convertible Note Terms and Conditions and Detachable Warrants, on the terms of a deed poll (**Detachable Warrant Deed Poll**).

For further details regarding the CVI Facility, refer to Sections 7.2 and 7.3.

The Convertible Notes and the Detachable Warrants form part of the Secondary Offers (described below). The Secondary Offers are being made under this Prospectus for the purposes described below and also to remove the need for an additional disclosure document to be issued upon the sale of any Securities that are issued under the Secondary Offers.

(a) **Convertible Note Offer**

Subject to satisfaction of the conditions precedent under the Subscription Agreement (including receipt of Shareholder approvals to issue the Convertible Notes and Detachable Warrants at the General Meeting), the Company will drawdown the A$35 million principal amount pursuant to the terms of the CVI Facility. The CVI Facility is presently a debt facility and the Convertible Notes and Detachable Warrants are not capable of being issued (and accordingly, no Shares are capable of being issued via conversion of the Convertible Notes or Detachable Warrants) without Shareholder approval.

Subject to receipt of Shareholder approvals described above at the General Meeting and satisfaction of other conditions precedent under the Subscription Agreement, the Company will issue Convertible Notes representing part of the CVI Facility on the terms and conditions set out in the Subscription Agreement.

The issue of the Convertible Notes represents the **Convertible Note Offer**.

Refer to Section 7.2 for a summary of the key terms of the CVI Facility and Convertible Notes.

The Convertible Note Offer is being made under this Prospectus to remove the need for an additional disclosure document to be issued upon the sale or transfer of any Shares issued upon conversion of the Convertible Notes in reliance on *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2026/94*.

Only CVI may accept the Convertible Note Offer.

For further details regarding the CVI Facility, refer to Sections 7.2 and 7.3.

(b) **Detachable Warrant Offer**

Pursuant to the Detachable Warrant Deed Poll and subject to satisfaction of the conditions precedent under the Subscription Agreement (including receipt of Shareholder approvals to issue the Convertible Notes and Detachable Warrants at the General Meeting), the Company has agreed to issue 66,287,879 detachable Warrants to CVI (**Detachable Warrants**).

The Detachable Warrants are exercisable at A$0.85 (**Detachable Warrant Exercise Price**), subject to applicable adjustments as detailed in Section 7.3.

The issue of the Detachable Warrants comprises the **Detachable Warrant Offer**.

The Detachable Warrants will expire at 5.00pm (Sydney time) on the fifth anniversary of the date of issue of the Detachable Warrants (**Detachable Warrant Expiry Date**).

No funds will be raised from the Detachable Warrant Offer.

The terms and conditions of the Detachable Warrants are summarised in Section 7.3. If the Detachable Warrants are exercised, the resultant Shares will be of the same class and will rank equally in all respects with the existing Shares in the Company. The rights and liabilities attaching to the Company's Shares are summarised in Section 7.1.

The Detachable Warrant Offer is being made under this Prospectus to remove the need for an additional disclosure document to be issued upon the sale or transfer of any Shares issued upon exercise of the Detachable Warrant in reliance on *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2026/94*.

CVI, as the initial Warrantholder, will accept the Detachable Warrant Offer.

For further details regarding the Detachable Warrants, refer to Section 7.3.

1.20 Purpose of this Prospectus

Generally, section 707(3) of the Corporations Act requires that a prospectus is issued in order for a person to whom securities were issued without disclosure under Part 6D of the Corporations Act to on-sell those securities within 12 months after the date of their issue. Section 708A(5) of the Corporations Act provides an exception to section 707(3) where an entity issues a "cleansing" notice under section 708A(5). However, the Company has been suspended from trading on the ASX for more than 5 days in the last 12 months and as a result is precluded from issuing a "cleansing" notice in accordance with section 708A(5) of the Corporations Act.

Section 708A(11) of the Corporations Act provides another exemption from this general requirement where:

(a) the relevant securities are in a class of securities of the company that are already quoted on the ASX;

(b) a prospectus is lodged with ASIC either:

   (i) on or after the day on which the relevant securities were issued but before the day on which the sale offer is made; or

   (ii) before the day on which the relevant securities are issued and offers of securities that have been made under the prospectus are still open for acceptance on the day on which the relevant securities were issued; and

(c) the prospectus is for an offer of securities issued by the company that are in the same class of securities as the relevant securities.

The primary purpose of this Prospectus is to:

(a) make the Offers with disclosure under Part 6D of the Corporations Act and enable the on-sale of the New Shares issued pursuant to the Offers; and

(b) comply with section 708A(11) of the Corporations Act to remove any trading restrictions that attach to Shares issued by the Company prior to the Closing Date of the Retail Entitlement Offer, so that holders of those Shares may, if they choose to, sell those Shares (as applicable) within twelve months from the date of their issue without the issue of a prospectus.

A secondary purpose of this Prospectus is to facilitate secondary trading of any Shares to be issued upon conversion of the New Securities to be issued under the Convertible Note Offer and Detachable Warrant Offer. Issuing Convertible Notes and Detachable Warrants under this Prospectus will enable persons who are issued these New Securities to on-sell the Shares, including those issued on conversion of the Convertible Notes and exercise of the Detachable Warrants in accordance with the *ASIC Corporations (Sale Offers That Do Not Need Disclosure) Instrument 2026/94*.

1.21 ASX waivers and ASIC relief

The Company does not require any ASX waivers or any specific ASIC relief in order to conduct the Offers.

1.22 Expenses of the Offers

The total expenses of the Offers are estimated to be approximately A$5 million (excluding GST) and are expected to be applied towards the items set out in the table below:

Expenses	(A$)
ASIC fees	3,206
ASX quotation fees[1]	75,000
Legal fees	475,000
Underwriter, broker and advisory fees[2]	4,365,000
Share registry, printing and dispatch	145,000
Miscellaneous (estimate)	25,000
Total	**5,088,206**

Notes:

1 Excludes quotation of any conversion of the Convertible Notes or exercise of the Detachable Warrants.

2 Underwriter and broker fees assume the full award of the 1% discretionary fee of the proceeds from the Entitlement Offer (exclusive of GST). Advisory fees include the fees payable to Gresham Partners, who is acting as financial advisor to the Company.

1.23 Allotment of New Securities

New Securities issued pursuant to the Offers will be allotted as soon as practicable after the relevant Closing Date.

Holding statements for New Shares issued under the Offers will be dispatched to Shareholders in accordance with the requirements of the ASX Listing Rules and the Timetable set out at the commencement of this Prospectus.

1.24 ASX Quotation

Application for Official Quotation by ASX of the New Shares offered pursuant to this Prospectus will be made as soon as possible and in any event within 5 Business Days after their issue date. If approval for Official Quotation of the New Shares is not obtained from ASX before the expiration of 3 months after the Prospectus Date (or such period as varied by ASIC), the Company will not issue any New Shares and will repay all Application Money for New Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation of the New Shares is not to be taken in any way as an indication of the merits of the Company or the New Shares now offered for subscription.

1.25 Withdrawal of the Offers

The Company reserves the right to withdraw the Offers at any time, in which case the Company will refund Application Monies in accordance with the Corporations Act and will do so without interest.

Subject to the Corporations Act and the ASX Listing Rules, the Underwriter and the Company also reserve the right to close the Offers or any part of them early, extend the Offers or any part of them, accept late Applications either generally or in particular cases, reject any Application, waive or correct any errors made by any Applicant in completing an Entitlement Form, or allocate to any Applicant fewer Securities than those applied for. Applications received under the Offers are irrevocable and may not be varied or withdrawn except as required by law.

1.26 CHESS

The Company participates in the Clearing House Electronic Sub-register System (**CHESS**). ASX Settlement, a wholly-owned subsidiary of ASX, operates CHESS in accordance with the ASX Listing Rules and ASX Settlement Operating Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of New Securities.

If your shareholding is held on a broker sponsored sub-register, ASX Settlement will send you a CHESS statement. The CHESS statement will set out the number of New Securities issued to you under this Prospectus and provide details of your holder identification number and the participant identification number of the sponsor.

If your shareholding is held on the Issuer sponsored sub-register, your statement will be dispatched by the Share Registry and will contain the number of New Securities issued to you under this Prospectus and your security holder reference number.

A CHESS statement or Company statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes. Shareholders may request a statement at any other time. However, a charge may be incurred for additional statements.

1.27 Enquiries

If you have any enquiries in relation to an Application Form or the Offers, please contact the Company's Share Registry on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) or consult your professional adviser.

2 Company information

2.1 Board of Directors

The Directors of the Company bring to the Board relevant expertise and skills, including industry and business knowledge, financial management and corporate governance experience.

The following persons are Directors of the Company as at the date of this Prospectus:

Michael Bowen
Non-Executive Chair

Mr Bowen is a partner of the national law firm Thomsons. 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 a Bachelor of Laws, 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 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. His clients operate in a range of sectors, including property, resources, technology, contracting and construction.

Mr Bowen has been a non-executive director of several ASX-listed companies and is currently non-executive director of Genesis Minerals Limited (ASX:GMD) and Emerald Resources Ltd (ASX:EMR).

Gregory Bittar
Managing Director

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 is currently a non-executive director of Horizon Oil (ASX: HZN) and holds an Economics (BEc) degree and Law (LLB) degree from the University of Sydney and a Masters in Finance from London Business School.

Leanne Heywood
Non-Executive Director

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 currently serves as a non-executive director of FireFly Metals (ASX: FFM), Deterra Royalties (ASX: DRR), Advanced Engineered Materials (ASX: AEM), Denison Gas Limited, Snowy Hydro Limited and the Royal Flying Doctor Service of Australia (South Eastern Section). Ms Heywood previously served as a non-executive director of MAC Copper Ltd before its takeover by Harmony Gold Mining Company Ltd, and as a non-executive director and Chair of the Audit Committee at Arcadium Lithium, prior to its acquisition by Rio Tinto.

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 CPA Australia (FCPA).

Simon Hay
Non-Executive Director

Mr Hay is a high achieving minerals professional with extensive management and technical experience built up over a career spanning 30 years in Australia and internationally.

Mr Hay is Chairman and CEO of WhiteRock Lithium Corp., a privately held Canadian critical minerals exploration company that is undertaking an IPO on the ASX. Until Feb 2026, Mr Hay was Executive Chairman of Leo Lithium Ltd (ASX: LLL), where he led the development of the Goulamina Lithium Project in Mali, West Africa into production before sale of the asset to its JV partner and return of all funds to shareholders.

Mr Hay is also a non-executive director of Encounter Resources (ASX: ENR), a leading Australian mineral exploration company focused on the discovery of major copper and niobium/rare element (REE) deposits.

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 five 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.

2.2 Directors' interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within two years before the lodgement of this Prospectus with ASIC any interest in:

(a) the formation or promotion of the Company;

(b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offers; or

(c) the Offers.

The relevant interest of each of the Directors in the Securities of the Company as at the date of this Prospectus is set out in the table below.

Director	Shares	Voting power[1]	Options	Performance Rights
Michael Bowen	515,234	0.19%	260,870	Nil
Gregory Bittar	93,495	0.03%	917,553	389,226
Leanne Heywood	26,133	0.01%	Nil	Nil
Simon Hay	42,674	0.02%	Nil	Nil

Notes:

1 Based on 273,392,236 Shares on issue at the Prospectus Date.

2.3 Directors' fees

Other than as set out below, no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner or director, either to induce him to become, or to qualify him as, a Director or otherwise for services rendered by him or by the firm in connection with the formation or promotion of the Company or the Offers.

Directors are entitled to Directors' fees and other payments, which are disclosed in the Company's annual financial reports. The Directors' current annual remuneration is as follows:

Directors	Remuneration for the year ending 30 June 2025 (A$)[1]	Remuneration for the year ending 30 June 2024 (A$)[1]
Michael Bowen	598,185	444,325
Gregory Bittar[2]	1,201,297	-
Leanne Heywood[3]	52,084	-
Simon Hay[3]	52,084	-

Notes:

1 Remuneration includes all forms of remuneration, including cash, superannuation and share based payments in accordance with the Australian Accounting Standards applicable to annual financial statements.

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

3 Ms Heywood and Mr Hay commenced as Non-Executive Directors on 3 February 2025.

The Constitution of the Company provides that the Non-Executive Directors shall be paid for their services as Directors, a sum not exceeding such fixed sum per annum as may be determined by the Directors prior to the first annual general meeting of the Company, to be divided among themselves and in default of agreement then in equal shares (**Remuneration Pool**). The Remuneration Pool shall not be increased except pursuant to a resolution passed at a general meeting of the Company (the total Remuneration Pool currently being A$800,000). In addition, no Director shall be paid as whole or part of his remuneration a commission on or percentage of operating revenue.

The Directors may also be paid all travelling and other expenses properly incurred by them in attending, participating in and returning from meetings of the Directors or any committee of the Directors or general meetings of the Company or otherwise in connection with the business of the Company.

3 Risk factors

3.1 Introduction

The New Securities offered by this Prospectus should be considered speculative.

Prior to deciding whether to participate in the Offers, Shareholders and potential investors should read this Prospectus and review announcements made by the Company to the ASX (at www.asx.com.au, ASX: LOT) in order to gain an understanding of the Company, its activities, operations, financial position and prospects. In addition, the Directors strongly recommend that investors examine the contents of this Prospectus and consult their professional advisers before deciding whether to participate in the Offer.

There are factors, both specific to the Company and of a general nature, which may affect the future operating and financial performance and position of the Company and the outcome of an investment in the Company. Shareholders and potential investors should consider the summary risk factors set out in this Section 3 of this Prospectus when evaluating the Company and deciding whether to invest in or increase their shareholding in the Company.

The Directors consider that the following summary represents the principal risk factors but is not intended to be an exhaustive list.

Some of the risks may be outside the control of the Company and not capable of mitigation.

3.2 Company-specific risks

(a) Resumption of ramp-up of operations at Kayelekera and execution of capital projects

As at the date of this Prospectus, production at the Kayelekera mine continues in its temporary suspension due to a disruption in the third-party acid supply chain linked to Middle East geopolitics and the need to repair the mine's acid plant. As announced to ASX on 16 July 2026, acid plant remediation works have completed and processing optimisation initiatives have substantially advanced.

As such, the Company currently expects to resume operations and continue the ramp-up of production at Kayelekera in early August 2026.

There are customary risks relating to restarting and ramping-up operations which could inhibit or further delay the ramp-up to nameplate production at Kayelekera, which may impact the funding requirements or profitability from operations. Such risks include the failure to meet the construction design criteria; damage to machinery and equipment due to ground movement, failure to follow processes, age or wear and tear of machinery and equipment or defective equipment; failures or issues with process control/automation instrumentation or software; delays in or inability to secure permits and approvals (or renewals), in particular export and transport permits of uranium concentrates from Kayelekera (which include not just initial permitting of the transport route but permits which are on per shipment basis); securing the required funding or the requirement to secure additional funding; recruitment and retention of experienced skilled personnel; securing equipment, consumables and supplies necessary for the ongoing operation of the plant (or future operation of the acid plant), ability (and timing) to connect to the Malawian national grid and associated availability and reliability of power supply from the national grid, and performance of plant and infrastructure that is below expectation and other factors. There are risks associated with Lotus not successfully ramping up mining operations and production at Kayelekera which include: an inability to deliver positive cash flow, the need to raise further equity and an inability to meet its financial liabilities and obligations.

During ramp-up, actual operating performance may differ materially from the Company's mine plan, budget and operating forecasts. Key operating metrics, including production volumes, ore mined and milled, grade, recoveries, reagent consumption, plant availability, product quality, operating costs and shipment timing, may vary from plan. Material variances may adversely affect production, revenue timing, cash flow, liquidity and the Company's ability to satisfy customer delivery obligations.

Lotus has received conditional product acceptance for its uranium concentrates produced at Kayelekera with one converter. Any change to this acceptance may disrupt future product shipments, which in turn, would defer associated cash receipts. The converter's product acceptance is subject to assays from an independent third party laboratory of each batch of product and each batch being approved for acceptance by the converter before shipment (until the converter is satisfied with Lotus' ongoing product quality), with acceptance based on the independent assay results being with the standard product specification or the converter accepting at its absolute discretion any batch which has moisture or impurities outside the standard product specifications. Lotus has encountered issues with producing uranium concentrate to specification, noting this has improved throughout the year to date. If Lotus cannot meet the standard specification for the product, there is a risk the converter will not accept Lotus' uranium concentrates and Lotus may need to re-process the uranium concentrates at additional costs and/or lose part of the product via recovery losses (reducing revenue), or it may be required to sell the uranium concentrates at a discounted price (reducing revenue), or the uranium concentrates may be unsaleable or untreatable meaning no revenue is realisable from this production.

Cost and timing estimates for the Kayelekera, Power Transmission and Substation Project, and Tailings Storage Facility have been based on engineering estimates supported by on-site inspection. However, the on-site inspections are limited in nature. Any inspection or testing may not be representative of the entire project. Accordingly, these estimates contain assumptions. There is a risk that these assumptions will not be accurate, and costs will be higher or timelines longer.

Following final stages of hot commissioning works at the Kayelekera acid plant and the first production of acid, several refractory bricks within the sulphur furnace showed signs of failure. Lotus, with support from specialist engineers, investigated the root cause of the failure and implemented a repair plan using additional refractory bricks available onsite. This provides only an interim solution which will enable the acid plant to be fully commissioned and operate until a full furnace brick relining occurs (during a planned maintenance shutdown currently expected to occur Q4 CY 2026). If the repair plan is insufficient, rectification works may be required earlier than planned, which may mean the acid plant cannot operate until a full furnace brick relining occurs. This may significantly impact production, particularly if there is insufficient sulphuric acid available or the cost of sulphuric acid is uneconomical. Should operations continue to rely on the supply of sulphuric acid from third parties, cost and logistics risks are substantially higher than elemental sulphur, and may impact the total cost of production and the ability to operate if sufficient stocks cannot be maintained.

A program of maintenance and repair works is being implemented to optimise the operation and performance of the Kayelekera processing plant. This optimisation plan encompasses works across multiple aspects of the plant (including equipment and mechanical components, specific circuits within the processing plant, instrumentation and systems) and is expected to improve plant operation and performance. Should the optimisation plan not achieve the intended improvement in plant performance, including to recoveries, then uranium production levels and/or product specification may not achieve targeted levels.

Lotus does not expect to have any material cash inflows from its mining assets until Q1 CY2027. Accordingly, Lotus is subject to all of the risks inherent in companies that have business that may not have cash flow or earnings. This may make it difficult for current and prospective investors to assess the likely future performance of the Lotus' mining assets.

The Company may have production, cost, timing or operational guidance in the market from time to time. Any such guidance is based on assumptions regarding ramp-up, plant availability, recoveries, product quality, reagent availability, export permitting, logistics, costs and uranium market conditions. There is a risk that actual performance differs materially from those assumptions, including as a result of delays to steady-state production, higher costs, lower recoveries, delayed shipments or other operational interruptions. If actual outcomes differ from the assumptions underlying any guidance, the

Company may be required to revise, withdraw or qualify that guidance, which could adversely affect investor confidence and the market price of Shares.

(b) **Operational risk**

The Company's operational, development and exploration activities are subject to numerous operational risks, many of which are beyond the Company's control or are unforeseen.

The Company's operations may be curtailed, delayed or cancelled as a result of factors such as adverse weather conditions, mechanical difficulties, geotechnical issues, shortages in or increases in the costs of consumables or reagents (in particular sulphur, sulphuric acid and diesel fuel), spare parts, plant and equipment, external services failure (including power), industrial disputes and action, difficulties in commissioning and operating plant and equipment, IT system failures, mechanical failure or plant breakdown, and compliance with governmental requirements. Hazards incidental to the development and exploration of mineral properties such as unusual or unexpected geological formations may be encountered by the Company. Industrial and environmental accidents could lead to substantial claims against the Company for injury or loss of life, and damage or destruction to property, as well as regulatory investigations, clean up responsibilities, penalties and the suspension of operations.

The Company's operational decision-making and reporting during ramp-up depends on reliable sampling, assaying, laboratory analysis, grade control, recovery calculations and metallurgical accounting. There is a risk that laboratory systems, sampling procedures, assay results or reconciliation processes do not accurately or consistently reflect actual plant performance or product quality. Any deficiencies in these systems could affect operational decisions, reported operating metrics, production forecasts, recovery estimates, product acceptance and the Company's ability to reconcile actual performance against its mine plan.

The Company will endeavour to take appropriate action to mitigate these operational risks (including by ensuring legislative compliance, properly documenting arrangements with counterparties, and adopting industry standard policies and procedures) or to insure against them where appropriate cost effective cover is available. However, the occurrence of any one or a combination of these events may have a material adverse effect on the Company's performance, profitability and the value of its assets.

(c) **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. Malawi has limited availability of qualified contractors in the mining industry, which requires Lotus to procure the majority of goods and services for Kayelekera from other jurisdictions. Failure of significant components of this supply chain due to strategic factors such as business failure, regulatory restrictions or conditions (including import restrictions or taxation requirements on imported goods or services) 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 are inconsistent with Lotus' 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) 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.

(d) **Uranium price risk**

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.

(e) **Convertible Note Offer**

If Shareholders do not approve the Convertible Note Offer or the Detachable Warrant Offer at the General Meeting, or any other condition precedent applicable to the Subscription Agreement is not satisfied, the Company will not be able to proceed with the issue of the Convertible Notes to CVI and the Company will not be able to drawdown on the CVI Facility.

In these circumstances the Company may look to engage with CVI to seek to restructure the terms of the CVI Facility to obtain the requisite funding, but there can be no guarantee that funding will be obtained on favourable terms or at all. An inability to drawdown on the CVI Facility may impact the ability of the Company to progress some or all of its operational activities at the same rate and on the scheduled timing proposed in this Prospectus. If this situation arises, the Company will consider its options for managing its operational activities and other commitments and will have regard to whether it should seek alternative proposals to raise additional funding to enable the Company to continue its operational activities in accordance with its proposed schedule. This may necessitate the Company to seek replacement debt or more equity funding to achieve its revised operational restart timeline.

(f) **Detachable Warrant Offer**

If Shareholders do not approve the Detachable Warrant Offer or the Convertible Note Offer at the General Meeting, or any other condition precedent applicable to the Subscription Agreement is not satisfied, the Company will not be able to proceed with the issue of the Detachable Warrants to CVI and the Company will not be able to drawdown on the CVI Facility.

In these circumstances the Company may look to engage with CVI to seek to restructure the terms of the CVI Facility to obtain the requisite funding, but there can be no guarantee that funding will be obtained on favourable terms or at all. An inability to drawdown on the CVI Facility may impact the ability of the Company to progress some or all of its operational activities at the same rate and on the scheduled timing proposed in this Prospectus. If this situation arises, the Company will consider its options for managing its operational activities and other commitments and will have regard to whether it should seek alternative proposals to raise additional funding to enable the Company to continue its operational activities in accordance with its proposed schedule. This may necessitate the Company to seek replacement debt or more equity funding to achieve its revised operational restart timeline.

(g) **Ground stabilisation 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. An investigation by a consultant revealed the movement was likely occurring along an existing slip surface under strain. The Company's Definitive Feasibility Study for the Kayelekera mine (as announced to ASX on 11 August 2022) provides details of the issue and work undertaken. Based on work undertaken as part of the Front End Engineering and Design program in 2024 some of the measures were reconsidered with the result that the pile wall fence will not be implemented. The other measures that were recommended, being re-location of the stockpiles and de-pressurization of the water bearing rock layers, are being implemented over the initial years of operation. In addition, Lotus completed earthworks on the western side of the plant terrace (where the majority of the movement has occurred) to remove material that encroached on the 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 have been 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, however, this does not currently extend to all plant and equipment.

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

(h) **Regulatory**

The Company’s operations, exploration and any future development activities are subject to extensive laws and regulations relating to numerous matters, including resource extraction licence, protection of the environment and rehabilitation, taxation, employee relations, health and worker safety, waste disposal, indigenous rights and heritage, resettlement, community matters and other matters.

The Company requires approvals, licences and permits from regulatory authorities to authorise the Company’s operations. These approvals, licences and permits relate to exploration, development, production and rehabilitation activities. Approvals, licences and permits required to comply with such rules and regulations are subject to the discretion of the applicable government officials. While the Kayelekera Project has approvals, licences and permits for Kayelekera's operations, these approvals, licences and permits may require updating, including updating management plans as part of the relevant approval, licence or permit process. Export and transport permits of uranium concentrates are on per shipment basis and therefore required to be obtained on an ongoing basis.

Obtaining necessary approvals, licences and permits can be a time-consuming process and there is a risk that the Company will not obtain these approvals, licences and permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary approvals, licences and permits and complying with these approvals, licences and permits and applicable laws and regulations could materially delay or restrict the Company from operating, proceeding with the development of a project or the further development of a mine. Any failure to comply with applicable laws and regulations or approvals, licences and permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of one or more of the tenements.

(i) **Political risks, government actions and foreign jurisdictions**

Lotus' 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 (including royalties on production or sales), 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 (including in Malawi, the application of the Resource Rent Tax or introduction of a Resource Super Profits Tax) or shifts in political attitude may adversely affect the Lotus 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 Lotus Group. Lotus notes the existing Exchange Control Regulations in Malawi requires 25% mandatory conversion of export proceeds into Malawi Kwacha within 2 business days of receipt. Lotus is working with the Reserve Bank of Malawi to obtain a waiver from this regulation so as to only be required to convert sufficient funds to meet Malawi Kwacha expenditure. The Company is in the process of a waiver request to reduce the current conversion ratio (including for a period of time or a different percentage linked to the uranium price).

Malawi is currently experiencing elevated fiscal pressures, contributing to a gradually evolving sovereign risk profile. This is occurring in a macroeconomic context characterised by reliance on foreign donor support and external financing, alongside high inflation and ongoing risk of currency depreciation. In this environment, there is potential for increased Government focus on optimising economic returns (including taxation revenue) from key sectors, including mining, which could detrimentally affect Lotus' revenues or costs.

The regulatory framework in Malawi remains in a developing phase, with the mining code continuing to be operationalised, which may result in evolving fiscal and regulatory settings over time which could detrimentally affect Lotus' revenues or costs.

Stronger uranium market conditions may further increase Government focus on the sector as a source of increased revenue which would reduce Lotus' revenue.

As the duration of the Iran conflict extends beyond initial expectations, this conflict and the consequential impact to shipping lines through the Strait of Hormuz will continue to impact the business including the pricing of diesel and reagents (in particular sulphur, which consequentially impacts the availability and pricing of sulphuric acid in south-east Africa, and the ability of Kayelekera to operate and produce product, in particular without the acid plant). If the disruption continues, the availability of diesel and sulphur may also become limited or unavailable, impacting cost or the ability to operate.

(j) **Underwriting risk**

The Company has entered into an Underwriting Agreement under which the Underwriter has agreed to underwrite the Entitlement Offer, subject to the terms and conditions of the Underwriting Agreement. Prior to the completion of the Entitlement Offer, there are certain events which, if they were to occur, may affect the Underwriter's obligation to underwrite the Entitlement Offer.

If certain conditions are not satisfied or if certain termination events occur, the Underwriter may terminate the Underwriting Agreement (which, consequently, would result in a failure of the condition precedent applying under the Subscription Agreement concerning completion of the Entitlement Offer). The events which may trigger termination of the Underwriting Agreement in the period from execution of the Underwriting Agreement to completion of the Entitlement Offer are summarised in Section 8.1.

Termination of the Underwriting Agreement would have a materially adverse impact on the proceeds raised under both the Entitlement Offer and the Secondary Offers. In these circumstances, the Company may need to find alternative funding (including further debt funding) to meet its financial obligations, and any such funding may be on less favourable terms or such funding may not be available. Termination of the Underwriting Agreement could have a materially adverse effect on the Company's business, cash flow and financial position.

(k) **Mercuria Transaction**

The proposed Mercuria marketing and inventory financing arrangements form part of the Company's broader funding package to the support its liquidity requirements during the ramp-up period and remain subject to completion of definitive documentation and ongoing legal due diligence. As at the date of this Prospectus, the parties have executed a binding commitment letter and are progressing definitive documentation. However, the facility remains subject to execution of binding definitive documentation.

There is a risk that completion of the documentation process is delayed or that the facility is not available on the timetable currently assumed by the Company, or at all. A delay in availability of the facility could defer access to anticipated inventory financing proceeds and reduce short-term liquidity headroom during the ramp-up period.

Management considers the principal risk relating to the Mercuria Transaction to be timing rather than ultimate availability. In addition, the facility is structured as an inventory prepayment arrangement, with funding advanced on a shipment-by-shipment basis rather than as a fully committed lump-sum facility. Accordingly, the timing of drawdowns is linked directly to the qualification and timing of uranium shipments and associated shipping documentation. While delays to individual shipments may defer the corresponding prepayment, management expects each qualifying shipment to remain capable of generating financing under the facility once operational conditions and documentation requirements are satisfied.

In the event the Mercuria Transaction does not proceed as contemplated, the Company would need to pursue alternative funding arrangements and / or adapt its capital expenditure profile to accommodate the additional working capital required to support its liquidity position. While the Company believes alternative inventory financing providers will be available, there is no guarantee that alternative funding will be obtained, and any such alternatives would likely provide funding later in the uranium sales cycle. The Company may also seek to preserve liquidity through the deferral of discretionary capital expenditure and other cash management initiatives while alternative arrangements are pursued.

(l) **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 Code 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 Lotus 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 Lotus 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.

(m) **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 its product to market. A lack of these could impact on 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 require 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, changes in transport routes or schedules by third party logistic providers accepting Class 7 Hazardous Material, custom clearance delays, political disputes or availability of suitable shipping liners or impacts to shipping routes.

Until uranium concentrate is delivered to, and credited by, the relevant converter or other agreed delivery point, the Company may remain exposed to title, custody, loss, damage, delay, insurance and documentation risks during transport and storage. Any loss of control, delay in transfer of title, dispute as to custody or failure to satisfy documentation requirements may delay revenue recognition, defer cash receipts, affect financing availability and impact the Company's ability to meet its contractual delivery obligations.

(n) **Environmental liabilities**

Uranium exploration, mine development and production involves environmentally hazardous activities 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.

The Company's operations also depend on effective water management, including the capture, storage, treatment, discharge and abstraction of water. During the wet season, the Kayelekera operation may be water positive and may be required to store or, in limited circumstances, discharge treated water from site in accordance with applicable approvals. In the dry season, the operation may need to rely on stored water, river abstraction or borefield supply. Failure to manage water availability, storage, treatment or discharge requirements could result in regulatory non-compliance, increased costs, operational disruption or environmental harm.

Despite efforts to conduct its activities in an environmentally responsible manner and in accordance with applicable laws, the Lotus Group 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 Lotus Group (or to other companies in the minerals industry). To the extent that the Lotus Group becomes subject to environmental liabilities, the satisfaction of any such liabilities would reduce funds otherwise available to the Lotus Group and could have a material adverse effect on the Lotus Group. Laws and regulations intended to ensure the protection of the environment are constantly changing and are generally becoming more restrictive.

(o) **Funding risk and arrangements**

Continuity of production activities at, and exploration and development of the various properties in which Lotus holds interests depends on the Company's ability to generate sufficient working capital from operating its Kayelekera mine or 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 prolong its temporary pause in production or pause production in the future, 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.

The Company is also subject to financial covenants and other obligations under its existing and newly introduced debt and convertible facilities, including the requirement to maintain minimum cash balances under the CVI Facility and a minimum debt service coverage ratios and cash balances under the First Capital Facility (as part of first drawdown). If production, shipment timing, revenue, costs or cash flows are materially worse than forecast, the Company may be unable to comply with those obligations or may need to seek waivers, amendments or replacement financing. Any breach of financing obligations could result in increased costs, acceleration of debt, restrictions on funding availability or other enforcement action, and may adversely affect the Company's liquidity and financial position.

Lotus may undertake offerings of securities in the future to raise capital as well as undertaking equity funded acquisitions which may dilute the holdings of investors. The increase in the number of shares issued and the possibility of sales of such shares may have a depressive impact on the price of shares already owned.

(p) **Cost estimates**

While care has been taken in estimating the capital cost and future operating costs for Lotus' projects, the actual operating costs and capital costs may vary from current estimates.

A significant portion of operating costs is linked to the diesel price (directly or indirectly) and reagent costs, with reagent costs changing in line with associated commodity costs (for example, sulphuric acid is linked to granular sulphur or sulphuric acid commodity prices). Changes in the supply and demand of these commodities will result in changes to the operating costs of Lotus' projects, and may adversely affect Lotus' future financial position and performance.

The foreign exchange rates assumptions for the Malawi Kwacha, South Africa Rand, United States of America Dollar and Botswana Pula are likely to vary and may vary significantly. Any such variations could adversely affect Lotus' future financial position and performance.

Capital resources may be required to be used in ways not previously anticipated or disclosed. The results and effectiveness of the application of the capital resources are uncertain. If they are not applied effectively, Lotus' financial and/or operational performance may be adversely affected.

(q) **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 for future growth.

Future operating results depend to a large extent on management's ability to successfully manage operations and growth of the business. This necessarily requires rapid expansion and management of all aspects of the business operations, such as the development and execution of mining operations, cost and revenue forecasting, development and execution of an effective marketing strategy, controlling expenses, complying with legal and regulatory requirements, meeting government and community expectations, 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 of uranium concentrate at site. This is due to the need to build sufficient inventory, road transport the product to a port, then ship and subsequently road transport 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. Any changes to import tariffs on uranium concentrates, for example into the USA, would impact Lotus' cash flow.

(r) **Offtake risk**

The future operations and revenues of Lotus are dependent on the counterparties to future 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' revenue could be adversely affected depending on market conditions at the time.

The Company has numerous offtake agreements with an agreed fixed price and delivery obligations from 2026 to 2029. This limits the Company's exposure to the uranium price if the uranium price is above the agreed fixed price at the time of delivery, impacting the Company's revenue. Additionally, if the uranium price is greater than the agreed fixed price at the time of the agreed delivery, and the Company is unable to deliver the agreed pounds (and an event of force majeure does not apply), the Company may be required to pay the offtake party the difference between the spot uranium price and the agreed fixed price or procure the agreed pounds at the spot price. If the Company is unable to meet its offtake obligations, the Company will be in default of its offtake agreements, which will result in damages and reputational issues which may limit the Company being able to secure future offtake agreements or offtake agreements on less favourable terms.

There is no guarantee that the Company will be able to execute its offtake strategy. This may increase the Company's exposure to a decrease in the uranium price, decrease the Company's exposure to an increase in the uranium price, or delay the timing of revenue associated with negotiating spot sales or other offtake arrangements. In addition, the inability of the Company to execute its offtake strategy may impact on the ability to secure or maintain debt or hybrid finance, or to obtain reasonable terms associated with debt or hybrid finance (including higher interest rates, increased restrictions on use or lower borrowing limits, default under the term of the debt or hybrid finance, requiring repayment of the outstanding balance).

(s) **Reliance on key personnel and labour risks**

The Lotus Group's prospects depend in part on the ability of its executive officers, senior management, technical site personnel and key consultants to operate effectively, both independently and as a group. Additionally, the Lotus Group requires a substantial workforce to work across the business. The local labour force has limited or no mining or industrial experience, and the Company is required to use expatriates for key management and specialist roles at the mine site. The loss of any of the Lotus Group's key personnel, the inability to recruit necessary staff as needed, the inability to obtain working visas as needed, or the increased cost to recruit or retain the necessary staff, may cause a disruption to the Lotus Group and adversely impact the Lotus 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 labour disputes, work stoppages or other disruptions in operations that could adversely affect the Lotus Group. Similarly, negative media attention with respect to a listed entities directors, executives or senior management can bring attention to the listed entity itself and negatively impact a listed entity's reputation, business operations and investor confidence. This in turn has the propensity to lead to fluctuations in the share price and have a material adverse effect on a listed entities.

(t) **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 commercialisation 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 Lotus Group will result in the discovery of economic uranium deposits.

(u) **Security of tenure**

All tenements in which the Lotus 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 Lotus 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 Lotus Group may not be able to comply with.

(v) **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 Lotus 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, in general, 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 its operations specifically, could have an adverse effect on the Lotus Group's reputation or financial condition.

(w) **Culture and business conduct**

An organisation's culture can greatly influence individual and group behaviours. If Lotus' 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 Lotus 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 Lotus Group's operations will be governed by, and involve interaction with, many levels of government including in Malawi, Botswana and Australia. The Lotus Group will be 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 persons to obtain or retain business or gain some other business advantage.

The Lotus Group will maintain 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 the Lotus Group operates it always needs to be aware of the potential risk of fraud, bribery and corruption. The Lotus Group cannot predict the nature, scope or effect of future regulatory requirements to which the Lotus 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 the Lotus Group and its directors and senior management to civil or criminal penalties or other sanctions and could have a material adverse effect on the Lotus Group's reputation, business, results of operations, financial condition and the share price.

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

(x) **Health and safety**

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

As a uranium mining and processing business, the Company is also exposed to radiological health, safety and environmental risks, including potential exposure to radioactive dust, radon decay products and other uranium-related hazards. The Company is required to maintain appropriate radiation management, monitoring and licensing arrangements. Any failure to maintain required radiation licences or approvals, or to comply with applicable radiation management requirements, could result in regulatory action, shipment delays, operational restrictions, penalties, reputational damage or harm to workers, contractors, communities or the environment.

Operating in developing countries where HIV/AIDS, Ebola, malaria, cholera, and other diseases exist 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 Lotus Group as well as reputational damage.

(y) **Climate change**

Increased regulation of greenhouse gas emissions could adversely affect the Lotus 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 Lotus Group. Increasing regulation of greenhouse gas 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 Lotus Group operates is likely to raise energy costs and costs of production.

Further to this, the Lotus 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 Lotus Group's activities and performance.

(z) **Subsidiary**

Lotus is a holding company with no significant assets other than the share of its wholly-owned and non-wholly owned subsidiaries. Accordingly, any limitation on the transfer of cash or other assets between the Lotus Group could restrict Lotus' ability to fund its operations efficiently and to meet its payment obligations. Any such limitations, or the perception of such limitations now or in the future, could also have an adverse impact on Lotus' valuation and share price.

(aa) **Estimates and assumptions are used in preparing the financial statements**

Preparation of consolidated financial statements required the Company to use estimates and assumptions which require Lotus 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 Lotus Group operates.

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

3.3 General risks

(a) Share price fluctuations

Shares carry no guarantee in respect of profitability, dividends, return of capital, or the price at which they may trade. The value of Shares will be determined by the securities market and will be subject to a range of factors beyond the control of Lotus, its Board and management.

The market price of a publicly traded stock is affected by many variables not directly related to the success of the Lotus Group. These factors include, but are not limited to, the demand for, and availability of the Shares, movements in interest rates, exchange rates, fluctuations in the Australian and international stock markets and general domestic and economic activity. 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' securities going forward.

There can be no guarantee that an active market in the Shares will develop or continue. It may be difficult for investors to sell their Shares, as there may be relatively few, if any, potential buyers or sellers of the Shares on ASX at any time. Volatility in the market price for the Shares may result in Shareholders receiving a price for their Shares that is less or more than the Offer Price.

(b) Economic risk

The operating and financial performance of the Lotus Group will be influenced by a variety of general economic and business conditions, including levels of consumer spending, oil prices, inflation, interest rates and exchange rates, supply and demand, industrial disruption, access to debt and capital markets and government fiscal, monetary and regulatory policies. Changes in general economic conditions may result from many factors including government policy, international economic conditions, significant acts of terrorism, hostilities or war or natural disasters. A prolonged deterioration in general economic conditions, including an increase in interest rates or a decrease in consumer and business demand, could be expected to have an adverse impact on Lotus' operating and financial performance and financial position.

(c) Risk of conflicts

Conflict events including, but not limited to, significant riots or acts of terrorism, invasion, hostilities (whether war be declared or not), or war may adversely affect the operating and financial performance of the Lotus Group. Escalation of the current conflict in Ukraine or the Middle East may increase market volatility generally and/or volatility in global commodity prices generally, and impact shipping or trade routes delaying transit times and increasing costs of transport.

(d) **Geopolitical tensions**

Uncertainty and volatility in the geopolitical landscape, including rapidly evolving U.S. policy (including reduction in U.S. foreign aid), growing trade protectionism, increased government intervention in trade, supply chains and financial markets, global technology and critical minerals decoupling (in particular associated with the U.S.-China strategic competition) and food security. 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.

(e) **Cyber security and IT**

The Lotus Group relies on IT infrastructure and systems and the efficient and uninterrupted operation of core technologies. The Lotus 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 Lotus Group's core technologies to become unavailable. Any interruptions to these operations would impact the Lotus 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.

(f) **Equity dilution**

The Company may elect to issue Shares or other securities in the future. While Lotus will be subject to the constraints of the ASX Listing Rules regarding the percentage of capital that it is able to issue within a 12 month period (other than where exceptions apply), the increase in the number of securities issued and the possible sale of these securities may have the effect of depressing the price of Lotus' securities already on issue. In addition, Lotus' shareholders at the time may be diluted as a result of the issue of such securities.

(g) **Litigation and disputes**

The Company, like many companies in the mining industry, is subject to legal claims in the ordinary course of its corporate and operational activities, with and without merit. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation and dispute resolution process, there can be no assurance that the resolution of any particular legal proceeding or dispute will not have an adverse effect on the Lotus Group's future cash flow, results of operations or financial condition.

(h) **Insurance risk**

The Company insures its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover, or appropriate cover may not be available at an acceptable cost.

The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. Insurance against all risks associated with mining exploration and production is not always available and where available the costs can be prohibitive.

(i) **Changes in laws**

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

3.4 Investment speculative

The above list of risk factors ought not to be taken as an exhaustive list of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the New Securities offered under this Prospectus.

Therefore, the New Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those New Securities.

Shareholders and potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to participate in the Offers.

4 Purpose and effect of the Offers

4.1 Purpose of the Offers

Any funds to be raised from the Convertible Note Offer will not be received by the Company until all conditions to completion under the Subscription Agreement are satisfied (including Shareholder approvals at the General Meeting), which is expected on or around early September 2026.

Any funds to be raised from the Entitlement Offer will be received on an unconditional basis.

The funds from the Entitlement Offer and Convertible Note Offer, together with existing cash, will primarily be applied to fund continued capital spend and working capital to support the ramp-up of production at Kayelekera until positive cash flow from operations is achieved along with funding corporate expenditures, including Letlhakane costs and financing costs of the equity raise, inventory financing and Convertible Note issue costs.[1]

No funds will be raised from the Detachable Warrant Offer.

4.2 Effect of the Offers

(a) **Capital structure on completion of the Offers**

Assuming no existing Securities are converted into Shares, the effect of the Offers on the Company's issued capital as at the Prospectus Date is as shown in the following table:

Capital Structure	Shares	Options[4]	Performance Rights[5]	Warrants[6]	Convertible Notes
Existing Securities on issue	273,392,236	2,372,681	1,585,119	-	-
Entitlement Offer[1]	273,392,236	-	-	-	-

[1] Refer to Section 4.2(b) for further information about how the Company intends to apply corporate and working capital.

Capital Structure	Shares	Options[4]	Performance Rights[5]	Warrants[6]	Convertible Notes
Convertible Note Offer[2]	-	-	-	-	350
Detachable Warrant Offer[3]	-	-	-	66,287,879	-
Total[7]	**546,784,472**	**2,372,681**	**1,585,119**	**66,287,879**	**350**

Notes:

1 Refer to Section 1.2 for details about the Entitlement Offer. Assumes that no further Shares are issued and none of the existing Securities are converted to Shares prior to the Record Date.

2 The issue of Convertible Notes under the Convertible Note Offer is subject to Shareholder approvals at the General Meeting and the satisfaction of certain conditions precedent. The number of Shares into which the Convertible Notes can be converted at the initial Conversion Price is 138,339,921, noting that the conversion price will be subject to customary adjustments and exchange rates. Refer to Section 1.19(a) for details about the Convertible Note Offer. Refer to the risk factor in Section 3.2(e) and the summaries in Section 7.2.

3 Refer to Section 1.19(b) for details about the Detachable Warrant Offer.

4 The Options comprise:

(a) 7,860 Options exercisable at nil value, expiring 31 October 2026;

(b) 238,839 Options exercisable at nil value, expiring 31 October 2028;

(c) 260,870 Options exercisable at nil value, expiring 30 September 2026;

(d) 347,828 Options exercisable at $3.45, expiring 20 May 2027;

(e) 173,914 Options exercisable at $3.45, expiring 22 August 2027;

(f) 521,740 Options exercisable at nil value, expiring 8 August 2027;

(g) 173,914 Options exercisable at $3.45 expiring 9 October 2027;

(h) 197,938 Options exercisable at nil value, expiring 30 June 2027;

(i) 378,595 Options exercisable at nil value, expiring 30 June 2029; and

(j) 71,183 Options exercisable at nil value, expiring 30 September 2027.

5 Performance Rights have nil exercise price and are subject to various vesting conditions and expiry dates.

6 Detachable Warrants are exercisable at a price equal to the Detachable Warrant Exercise Price, subject to applicable adjustments as detailed in Section 7.3.

7 Assumes that the Underwriting Agreement is not terminated. Refer to Section 8.1 for further details of the termination events.

(b) **Use of funds**

The following funds will be available to the Company after completion of the Offers (before costs) on the assumption that the Entitlement Offer is fully subscribed and the Underwriting Agreement is not terminated.

Source of funds	A$ million
Existing Cash as at 30 June 2026 (unaudited)	30[1]
CVI Facility drawdown (subject to satisfaction of conditions precedent)[2]	35
Proceeds from the Entitlement Offer	60
Total	**125**

Notes:

1 Exchange rate assumption of AUD:USD 0.69. Excludes restricted cash of US$10 million.

2 See Section 7.2 for further information regarding the CVI Facility drawdown.

Use of funds (including existing cash)	A$ million	% of above sources of funds
Tailings storage facility lift, grid connection and ore sorter	52	41.6%
Working capital[2], corporate and Offer costs	49	39.2%
Sustaining capital	14	11.2%
Offtake financial settlements[3]	10	8.0%
Total	**125**	**100%**

Notes:

1 Exchange rate assumption of AUD:USD 0.69.

2 Includes expenditure for the Letlhakane Uranium Project.

3 Maximum liability is assumed as approximately US$7M, based on a price differential of US$10/lb using an US$85/lb spot price covering 700k lbs of undelivered product in CY2026.

The above is a statement of current intentions at the Prospectus Date. Intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

The amounts and timing of the actual expenditures and investments may vary significantly and will depend on a number of factors, including market conditions, the development of new opportunities and/or any number of other factors (including the risk factors summarised in Section 3), and actual expenditure levels, may differ significantly from the above estimates.

(c) **Substantial Shareholders**

Based on the information available to the Company, those Shareholders holding an interest in 5% or more of the Shares on issue as at the Prospectus Date are as follows:

Substantial Shareholder	Shares	Voting Power[1]
State Street Corporation	41,627,588	15.24%
Sprott Inc	33,888,464	12.40%
JP Morgan Chase & Co	25,278,688	9.25%
Citigroup Global Markets Australia Pty Limited	18,154,812	6.64%

Note:

1 Voting power does not include any Securities to be issued pursuant to the Offers.

(d) **Diluting effect of the Offers**

(i) **All Securities under the Offers are issued:**

On the assumption that:

(A) the issue of:

(1) Convertible Notes offered under Convertible Note Offer; and

(2) Detachable Warrants offered under the Detachable Warrant Offer,

are approved by Shareholders at the General Meeting;

(B) all of the Shares offered under the Entitlement Offer are issued;

(C) all Convertible Notes are converted into Shares and all Detachable Warrants are exercised (noting that the conversion price of the Convertible Notes and the Detachable Warrants Exercise Price is subject to adjustments); and

(D) no other Securities are issued or exercised,

the number of Shares on issue would increase to 751,412,272 and the diluting effect on the percentage interest of existing Shareholders would be 64%.

The potential diluting effect is subject to the terms of the Subscription Agreement (including the Convertible Note Terms and Conditions and the Detachable Warrant Deed Poll), which limit the total voting power of CVI in the Company to a total of 9.9%. Once the threshold of 9.9% has been met, the conversion of Convertible Notes or exercise of Detachable Warrants by CVI must be settled by the Company in cash in accordance with the terms of the Subscription Agreement.

(ii) **All New Shares under the Entitlement Offer are issued, no New Securities under the Secondary Offers are issued:**

On the assumption that:

(A) all of the New Shares offered under the Entitlement Offer are issued;

(B) no New Securities under the Secondary Offers are issued; and

(C) no other Securities are issued or exercised,

the number of Shares on issue would increase to 546,784,472 and the diluting effect on the percentage interest of existing Shareholders would be 50%.

(e) **Potential dilution of the Entitlement Offer**

Shareholders should note that if they do not participate in the Entitlement Offer, their holdings will be diluted (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders are set out in the table below:

Holder	Holding as at Record Date	% at Record Date	Entitlement to Shares	% holding if Entitlement taken up	% holding if Entitlement not taken up
Shareholder 1	13,669,612	5.00%	13,669,612	5.00%	2.50%
Shareholder 2	10,935,689	4.00%	10,935,689	4.00%	2.00%
Shareholder 3	8,201,767	3.00%	8,201,767	3.00%	1.50%
Shareholder 4	5,467,845	2.00%	5,467,845	2.00%	1.00%
Shareholder 5	2,733,922	1.00%	2,733,922	1.00%	0.50%

The dilutionary effect shown in the table above is the maximum percentage on the assumption that those Entitlements not accepted are subscribed for under the Oversubscription Facility or as per the terms of the Underwriting Agreement.

The above table assumes that no other Securities are issued and/or exercised and/or converted into Shares prior to the Record Date (including the Options and Performance Rights existing prior to the Record Date).

(f) **Effect of the Offers on the Company's financial position**

An unaudited pro-forma statement of financial position has been provided in Section 5 to demonstrate the indicative impact of the Offers on the financial position of the Company. The Company's unaudited statement of financial position as at 31 May 2026 has been used for the purposes of preparing the unaudited pro-forma statement of financial position and adjusted to reflect pro-forma assets and liabilities of the Company as if completion of the Offers had occurred by 31 May 2026.

The unaudited pro-forma statement of financial position is presented in an abbreviated form. It does not include all of the disclosures required by the Australian Accounting Standards applicable to annual financial statements.

(g) **Effect of the Offers on control of the Company**

Section 606(1) of the Corporations Act prohibits a person, unless an exception applies, from increasing their voting power in the Company:

(i) from 20% or below to above 20%; or

(ii) from a starting point of above 20% and below 90%.

One of the exceptions to section 606(1) is where that increase occurs as a result of an issue under a disclosure document to an underwriter or sub-underwriter to the issue. Notwithstanding this exception, so far as the Company is aware, no new investor or existing Shareholder will have a voting power greater than 20% as a result of the completion of the Offers.

The Underwriter presently has no Shares in the Company, and has not indicated an intention of acquiring Shares in the Company prior to the Record Date.

The Underwriter has agreed to fully underwrite the Entitlement Offer and procured commitments and/or intentions from Institutional Investors (including CVI) and the Directors to sub-underwrite the Retail Entitlement Offer. Neither the Offers nor the underwriting or sub-underwriting are considered likely to have a material effect on the control (as defined by section 50AA of the Corporations Act) of the Company.

No nominee has been appointed for Ineligible Shareholders under section 615 of the Corporations Act and, as such, Eligible Shareholders will not be able to rely on the exception for rights issues in item 10 of section 611 of the Corporations Act.

Accordingly, when an Eligible Shareholder applies for some or all of their Entitlement, they must have regard to section 606 of the Corporations Act. Eligible Shareholders who may be at risk of exceeding the 20% voting power threshold in section 606 as a result of acceptance of their Entitlement should seek professional advice before completing and returning their Application Form.

No Shares will be issued to any Shareholder or Applicant pursuant to this Prospectus if, in the view of the Directors, to do so would increase that Shareholder's or Applicant's voting power in the Company above 20% or otherwise result in a breach of the Listing Rules, the Corporations Act or any other applicable law.

5 Financial Information

5.1 Effect on the Company's financial position

This Section 5 provides relevant financial information for Shareholders to consider when assessing whether to participate in the Offers, including details of the potential financial impact of the Offers.

The pro-forma financial information should be read in conjunction with the limitations explained in the “Important notes” Section of this Prospectus.

5.2 Pro-forma Statement of Financial Position

Set out below is the audit reviewed Statement of Financial Position as at 31 December 2025, an unaudited Statement of Financial Position as at 31 May 2026 and an unaudited pro-forma Statement of Financial Position as at 31 May 2026 showing the financial position of the Company following the Offers and specific unaudited subsequent events, being changes in cash and equivalents as at 30 June 2026 and a provision for non-delivery of offtake commitments to customers.

The pro-forma Statement of Financial Position illustrates the effect of the Offers on the Company. It has been prepared based on the unaudited Statement of Financial Position as at 31 May 2026, adjusted for certain unaudited events that have occurred after the balance date. It is not intended to represent the financial position of the Company upon completion of the Offer. It is provided as an illustration of the effect of the Offers. The actual impact on the Company is dependent on a range of factors, many of which are outside the control of the Company.

The pro-forma Statement of Financial Position has been prepared to provide Shareholders with information on the pro-forma assets and liabilities of the Company. It has been prepared on the basis of accounting policies normally adopted by the Company. The financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	Consolidated 31 December 2025	Unaudited Consolidated 31 May 2026	Unaudited Subsequent Event Adjustments	Unaudited Pre Adjusted Pro-forma 31 May 2026	Equity Raising Adjustments	CVI Investment Adjustments	Adjusted Pro-forma 31 May 2026
	A$	A$	A$	A$	A$		A$
CURRENT ASSETS							
Cash and cash equivalents	56,163,665	44,613,381	(14,433,985)[1]	30,179,396	60,000,000	35,000,000	**125,179,396**
Other current assets	1,355,792	18,697,596[2]	-	18,697,596	-	-	**18,697,596**
Inventories	10,026,509	17,565,757	1,016,366	18,582,123	-	-	**18,582,123**
Total Current Assets	**67,545,966**	**80,876,734**	**(13,417,619)**	**67,459,115**	**60,000,000**	**35,000,000**	**162,459,115**
NON-CURRENT ASSETS							
Right-of-use asset	403,193	346,900	-	346,900	-	-	**346,900**
Plant and equipment	81,735,054	110,125,512	1,175,601	111,301,113	-	-	**111,301,113**
Exploration and evaluation assets	85,234,380	82,694,397	-	82,694,397	-	-	**82,694,397**
Mine properties	40,396,707	40,396,707	-	40,396,707	-	-	**40,396,707**
Other financial assets	14,995,966	13,918,291	-	13,918,291	-	-	**13,918,291**
Other non-current assets	16,823,760	-	-	-	-	-	**-**
Total Non-Current Assets	**239,589,060**	**247,481,808**	**1,175,601**	**248,657,409**	**-**	**-**	**248,657,409**
TOTAL ASSETS	**307,135,026**	**328,358,542**	**(12,242,018)**	**316,116,524**	**60,000,000**	**35,000,000**	**411,116,524**

CURRENT LIABILITIES							
Trade and other payables	2,019,075	14,026,537	(12,242,018)[3]	1,784,519	-	-	**1,784,519**
Lease liabilities	144,821	126,629	-	126,629	-	-	**126,629**
Provisions	543,290	532,206	10,329,571[4]	10,861,777	-	-	**10,861,777**
Borrowings - Current	-	-	-	-	-	324,074[6]	**324,074**
Total Current Liabilities	**2,707,186**	**14,685,372**	**(1,912,446)**	**12,772,925**	**-**	**324,074**	**13,096,999**
NON-CURRENT LIABILITIES							
Lease liabilities	254,982	226,620	-	226,620	-	-	**226,620**
Provisions	40,564,171	36,917,630	-	36,917,630	-	-	**36,917,630**
Borrowings - Non-Current	3,977,807	10,295,311	-	10,295,311	-	38,564,815	**48,860,126**
Total Non-Current Liabilities	**44,796,960**	**47,439,561**	**-**	**47,439,561**	**-**	**38,564,815**	**86,004,376**
TOTAL LIABILITIES	**47,504,146**	**62,124,933**	**(1,912,446)**	**60,212,487**	**-**	**38,888,889[5]**	**99,101,375**
NET ASSETS	**259,630,880**	**266,233,609**	**(10,329,571)**	**255,904,037**	**60,000,000**	**(3,888,889)**	**312,015,148**
EQUITY							
Contributed equity	453,701,886	528,373,758	-	528,373,758	60,000,000	-	**588,373,758**
Reserves	(38,958,290)	(36,216,334)	-	(36,216,334)	-	-	**(36,216,334)**
Accumulated losses	(146,664,007)	(209,675,219)	(10,329,571)	(220,004,791)	-	(3,888,889)	**(223,893,679)**
Equity attributable to owners of the Group	268,079,589	282,482,205	(10,329,571)	272,152,633	60,000,000	(3,888,889)	**328,263,744**
Non-controlling interests	(8,448,709)	(16,248,596)	-	(16,248,596)	-	-	**(16,248,596)**
TOTAL EQUITY	**259,630,880**	**266,233,609**	**(10,329,571)**	**255,904,037**	**60,000,000**	**(3,888,889)**	**312,015,148**

Notes:

1 Adjustment for cash and equivalents as at 30 June 2026, using an exchange rate of AUD:USD of 0.6914.

2 Other current assets is largely represented by Prepayments for Malawi operations and also includes GST and VAT receivables from Australia, Malawi and Botswana.

3 Reduction in Trade and Other payables associated with the reduction in cash and equivalents as at 30 June 2026. This adjustment is illustrative only, and cash and equivalents may have been applied to a reduction in other liabilities or an increase in assets.

4 Provision for financial settlement related to the non-delivery of 700,000 lbs of U_3O_8 under fixed price offtake agreements.

5 Total liabilities for CVI Investment (which excludes the CVI Sub-Underwriting Commitment) are calculated as A$35,000,000 divided by 90%, as the amount required to be repaid is the repayment amount divided by 90%.

6 Repayment is amortised across 12 quarterly repayments, with no payment required in the first 6 months. The commencement of the agreement is expected to occur in early Q1 FY2027, meaning that only one repayment is expected within 12 months from 30 June 2026.

6 Action required by Eligible Shareholders

6.1 Important information

All Applications for New Shares must be made by Eligible Shareholders in accordance with the instructions in this Prospectus and on the Entitlement Form.

The Company reserves the right to reject any Applications for New Shares that are not made in accordance with the terms of this Prospectus or the instructions on the Entitlement Form.

The Company also reserves the right (in its absolute discretion) to reduce the number of New Shares allocated to Eligible Shareholders, or persons claiming to be Eligible Shareholders, if their claims prove to be overstated or if they fail to provide information to substantiate their claims.

If you have any questions, you should seek advice from your stockbroker, accountant or other independent professional adviser, or call the Lotus Offer Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8:30am and 5:00pm (Sydney time), Monday to Friday (excluding public holidays) during the Retail Entitlement Offer period.

6.2 Acceptance and how to apply

Convertible Note Offer and Detachable Warrant Offer

The Convertible Note Offer and Detachable Warrant Offer are offers to CVI only and only CVI may apply for the New Securities under the Convertible Note Offer and Detachable Warrant Offer.

A personalised application form in relation to the Convertible Note Offer and Detachable Warrant Offer will be issued to CVI together with a copy of this Prospectus. The Convertible Notes will be issued in consideration for the payment of A$35 million to the Company. No monies are payable for the Detachable Warrants to be issued pursuant to the Detachable Warrant Offer.

Institutional Entitlement Offer

The Underwriter and/or the Company will provide Eligible Institutional Shareholders with details of their Entitlements and how to apply under the Institutional Entitlement Offer at the commencement of the Institutional Entitlement Offer. Eligible Institutional Shareholders who participate in the Institutional Entitlement Offer must execute and deliver a Confirmation of Allocation to be sent by the Underwriter.

Retail Entitlement Offer

Your acceptance of the Retail Entitlement Offer must be made in accordance with the Entitlement Form which you can access at the Offer Website at www.computersharecas.com.au/LOToffer. There is no Minimum Subscription you are required to apply for.

The number of New Shares to which each Eligible Retail Shareholder is entitled is calculated as at the Record Date of 7:00pm (AEST) on 27 July 2026 and is shown on the personalised Entitlement Form. If you have more than one registered holding of Shares, you will be able to download more than one Entitlement Form from the Offer Website and you will have separate Entitlements for each separate holding.

Applications for the Retail Entitlement Offer may only be made by Eligible Retail Shareholders during the Retail Entitlement Offer Period (as outlined in Section 1.2) on an Entitlement Form. Eligible Retail Shareholders can download a copy of this Prospectus and a personalised Entitlement Form during the Retail Entitlement Offer Period by visiting the Offer Website at www.computersharecas.com.au/LOToffer.

As mentioned in Section 1.2(b), if you are an Eligible Retail Shareholder you may participate in the Entitlement Offer as follows:

(a) take up all of your Entitlement (see this Section 6.2);

(b) take up part of your Entitlement and allow the balance to lapse (see this Section 6.2);

(c) take up all of your Entitlement and subscribe for Additional New Shares via the Oversubscription Facility (see Section 6.3); or

(d) do nothing, in which case your Entitlement will lapse and you will receive no value for your Entitlement (see Section 6.4).

You should note that if you do not take up all of your Entitlement, your percentage shareholding in Lotus will be diluted. The New Shares not subscribed for will form part of the Shortfall and will be allocated to Eligible Retail Shareholders who subscribe for Additional New Shares under the Oversubscription Facility. Any New Shares which are not subscribed for by Eligible Retail Shareholders under their Entitlements or under the Oversubscription Facility must be taken up by the Underwriter, or they must procure the take up of such New Shares, on the terms and subject to the conditions of the Underwriting Agreement.

If you wish to take up all or part of your Entitlement you must make payment by BPAY®, unless you are an Eligible Retail Shareholder and are unable to pay via BPAY®, in which case you will have the option to pay via EFT using the Offer Website.

The Company reserves the right to reject any Application that is received after the relevant Closing Date. Unless varied at the discretion of the Company in consultation with the Underwriter (and subject to the Corporations Act and the ASX Listing Rules), the closing date for acceptance of the Retail Entitlement Offer is 5.00pm (AEST) on 13 August 2026.

Subscribe for all of your Entitlement

If you wish to take up all of your Entitlement, you should make your payment by BPAY® or EFT (as applicable) for the full amount payable (being the Offer Price multiplied by the number of New Shares comprising your Entitlement), and follow the instructions on the Entitlement Form, so that payment is received by 5.00pm (AEST) on 13 August 2026. Note that when paying by BPAY® you are not required to submit the personalised Entitlement Form but are taken to make the statements on that form.

The Company will treat you as applying for as many New Shares as your payment will pay for in full. The Company's decision on the number of New Shares to be issued to you will be final.

For instructions on how to pay by BPAY® or EFT please go to the Offer Website at www.computersharecas.com.au/LOToffer.

Subscribe for part of your Entitlement

If you wish to take up part of your Entitlement and reject the balance, you should make your payment by BPAY® or EFT for the adjusted amount payable (being the Offer Price multiplied by the number of New Shares you are taking up - you will need to calculate this amount yourself), and follow the instructions on the Offer Website at www.computersharecas.com.au/LOToffer, so that payment is received by 5.00pm (AEST) on 13 August 2026.

If you do not take up all of your Entitlement in accordance with the instructions set out above, any New Shares that you would have otherwise been entitled to under the Retail Entitlement Offer will become Shortfall Shares. See Section 1.5 for further details.

Note that when paying by BPAY® you are not required to submit the personalised Entitlement Form but are taken to make the statements on that form.

For instructions on how to pay by BPAY® or EFT please go to the Offer website at www.computersharecas.com.au/LOToffer.

6.3 Applying for Additional New Shares

Eligible Retail Shareholders (other than Directors and any other related parties of the Company) may, in addition to taking up their Entitlement in full, apply for Additional New Shares in excess of their Entitlement, capped at a maximum of 50% of their Entitlement under the Oversubscription Facility. By way of example, if an Eligible Retail Shareholder holds 10,000 Shares they will be entitled to 10,000 New Shares under the Retail Entitlement Offer. If they apply for 10,000 New Shares they will also be entitled to apply for 5,000 Additional New Shares under the Oversubscription Facility.

If you wish to take up all of your Entitlement and apply for Additional New Shares pursuant to the Oversubscription Facility, you should make your payment by BPAY® or EFT for the full amount payable (being the Offer Price multiplied by the number of New Shares you are taking up under your Entitlement and the number of Additional New Shares you wish to take up - you will need to calculate this amount yourself). Note that when paying by BPAY® you are not required to submit the personalised Entitlement Form but are taken to make the statements on that form.

For instructions on how to pay by BPAY® or EFT please go to the Offer website at www.computersharecas.com.au/LOToffer.

In order to apply for Additional New Shares under the Oversubscription Facility you must be an Eligible Shareholder and must have first taken up your Entitlement in full.

Amounts received by the Company in excess of the Offer Price multiplied by your Entitlement (**Excess Amount**) will be treated as an Application to apply for as many Additional New Shares as your Excess Amount will pay for in full.

If you apply for Additional New Shares under the Oversubscription Facility and your Application is successful (in whole or in part), your Additional New Shares will be issued at the same time that other New Shares are issued under the Retail Entitlement Offer.

The right to receive Additional New Shares which are in excess of an Eligible Retail Shareholder's Entitlement will be determined by the Directors at their sole discretion. Eligible Retail Shareholders who apply for Additional New Shares which are in excess of their Entitlement may not be issued any or all of the Additional New Shares they applied for.

It is possible that there will be few or no Additional New Shares available for issue, depending on the level of take up of Entitlements by Eligible Retail Shareholders. There is also no guarantee that in the event Additional New Shares are available for issue, they will be allocated to all or any of the Eligible Retail Shareholders who have applied for them. The Company shall allot and issue any Additional New Shares in accordance with the allocation policy set out below and further in Section 1.10 of this Prospectus.

It is an express term of the Retail Entitlement Offer that Applicants for Additional New Shares will be bound to accept a lesser number of Additional New Shares allocated to them than applied for, if so allocated. If a lesser number of Additional New Shares is allocated to them than applied for, excess Application Monies will be refunded without interest.

The Company together with the Underwriter reserves the right to scale back any applications for Additional New Shares under the Oversubscription Facility in their absolute and sole discretion. When determining the amount (if any) by which to scale back an application, the Company and the Underwriter may take into account a number of factors, including the size of an Applicant's shareholding in the Company, the extent to which an Applicant has sold or bought Shares in the Company before and after both the announcement of the Entitlement Offer and the Record Date, as well as when the application was made.

Eligible Retail Shareholders who apply for Additional New Shares should note that the Company will not allocate or issue Additional New Shares where it is aware that to do so would result in a breach of the Corporations Act, the ASX Listing Rules or any other relevant regulation or law. Eligible Shareholders wishing to apply for Additional New Shares must consider whether or not the issue of the Additional New Shares applied for would breach the Corporations Act, the ASX Listing Rules or any other relevant regulation or law having regard to their own circumstances.

6.4 Entitlements not taken up and Ineligible Shareholders

Ineligible Shareholders may not take up all or any part of their Entitlement.

If you are an Eligible Shareholder and you do not wish to take up your Entitlement, do nothing. If you do nothing, or if you are an Ineligible Shareholder, the New Shares representing your Entitlement will form part of the Shortfall.

Ineligible Shareholders and Eligible Shareholders who do not take up their Entitlements in full will not receive any amounts in respect of the Entitlements that they do not take up, and will have a reduced (i.e. diluted) percentage shareholding in the Company after implementation of the Entitlement Offer. See Section 1.18 for further information if you are an Ineligible Shareholder. See Section 4.2(e) for further information on the effect of the Offers on Shareholders' existing holdings.

If you have any doubt about how you should deal with your Entitlements, you should seek professional advice from an adviser who is licensed by ASIC to give that advice before making any investment decision.

6.5 Opening and closing dates

The opening and closing dates of the Offers are set out in Section 1.7 as well as in the Timetable located at the commencement of this Prospectus.

6.6 Summary of payment options

The Offer Price of A$0.22 per New Share is payable on acceptance of your Entitlement.

If you wish to take up all or part of your Entitlement (and apply for any Additional New Shares, if applicable) you must make payment by BPAY®, unless you are an Eligible Retail Shareholder and you are unable to pay via BPAY®, in which case you will have the option to pay via EFT using the Offer Website at www.computersharecas.com.au/LOToffer.

Cash, cheques, bank drafts and money order payments will not be accepted. Receipts for payments will not be issued.

If you are unable to pay by BPAY® or are having difficulty paying by BPAY® please call the Lotus Offer Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) between 8:30am and 5:00pm (Sydney time), Monday to Friday (excluding public holidays), before the Retail Entitlement Offer closes 5.00pm (AEST) on 13 August 2026.

Lotus will treat you as applying for as many New Shares as your payment will pay for in full, up to your Entitlement. If your payment will pay for more than your full Entitlement, Lotus will treat you as applying for your full Entitlement and as many Additional New Shares pursuant to the Oversubscription Facility as your payment will pay for in full (capped at 50% of your full Entitlement). Any Application Monies received for more than your final allocation of New Shares (including any Additional New Shares (if applicable)) will be refunded except for where the amount is less than $1.00 in which case it will be donated to a charity chosen by the Company. No interest will be paid on any Application Monies received or refunded.

Application Monies received from Eligible Retail Shareholders will be held in the **Lotus Retail Entitlement Offer Account** solely for the purpose of holding the Application Monies.

To the fullest extent permitted by law, each Eligible Retail Shareholder agrees that any Application Monies paid by them to Lotus will not entitle them to any interest against Lotus and that any interest earned in respect of Application Monies will belong to Lotus. This will be the case, whether or not all or none (if the Retail Entitlement Offer is withdrawn) of the New Shares applied for by a person are issued to that person.

6.7 Payment by BPAY® or EFT

For payment by BPAY®, please access the Offer Website online at www.computersharecas.com.au/LOToffer (which includes details of your Entitlement, the biller code and your unique Customer Reference Number (**CRN**))**.** You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

If you are paying by BPAY®, please make sure you use the specific Biller Code and your unique CRN provided on your personalised Entitlement Form or on the Offer Website at www.computersharecas.com.au/LOToffer.

If you are paying by EFT, please make sure you go to www.computersharecas.com.au/LOToffer and follow the instructions online.

If you have multiple holdings and receive more than one Entitlement Form, when taking up your Entitlement in respect of one of those holdings, please only use the CRN specific to the Entitlement on that form. If you do not use the correct CRN specific to that holding, or inadvertently use the same CRN for more than one of your Entitlements, your application will be recorded against the holding associated with CRN you use.

Please note that should you choose to pay by BPAY® or EFT:

(a) you do not need to submit the Entitlement Form if paying via BPAY®, but are taken to have made the declarations on that Entitlement Form;

(b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies; and

(c) if your payment exceeds the amount payable for your full Entitlement, you are taken to have accepted your Entitlement in full and to have applied for such number of Additional New Shares which is covered in full by your Application Monies.

It is your responsibility to ensure that your BPAY® or EFT payment is received by the Share Registry by the closing date stipulated in Section 1.7 and the Timetable. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment.

No interest will be paid on any Application Monies received or refunded.

6.8 Effect of participating in the Retail Entitlement Offer

By making a payment by BPAY®, EFT, or otherwise applying to participate in the Retail Entitlement Offer, you will be deemed to have acknowledged, represented and warranted on behalf of each person on whose account you are acting that:

(a) all details and statements made in the personalised Entitlement Form are complete and accurate;

(b) you are (or the person on whose account you are acting is) an Eligible Retail Shareholder;

(c) you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Retail Entitlement Offer;

(d) you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement Form as being held by you on the Record Date;

(e) once Lotus receives your completed Entitlement Form or payment by BPAY®, you may not withdraw it except as allowed by law;

(f) you have read and understood this Prospectus and the personalised Entitlement Form;

(g) the information contained in this Prospectus is not investment advice nor a recommendation that the New Shares (including any Additional New Shares, if applicable) are suitable for you, given your investment objectives, financial situation or particular needs;

(h) you have read and understand the statement of risks in Section 3 and in the "Key Risks" Section of this Prospectus, and you understand that investments in the Company are subject to risk;

(i) neither Lotus nor the Underwriter, nor any of their respective Beneficiaries, warrants or guarantees the future performance of Lotus, nor do they guarantee any repayment of capital or return on any investment made pursuant to the Retail Entitlement Offer;

(j) you agree to:

    (i) apply for, and be issued with up to, the number of New Shares (and Additional New Shares, if applicable) that you apply for at the Offer Price of A$0.22 per New Share;

    (ii) provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and of your holding of Shares on the Record Date; and

    (iii) be bound by the terms of this Prospectus and the provisions of the Company's constitution;

(k) you authorise Lotus to:

    (i) register you as the holder of New Shares (including any Additional New Shares, if applicable) and you authorise Lotus, the Underwriter, the Share Registry and their respective Beneficiaries to do anything on your behalf necessary for the New Shares (including any Additional New Shares, if applicable) to be issued to you, including to act on instruction of the Share Registry by using the contact details set out in the personalised Entitlement Form; and

    (ii) correct any errors in your personalised Entitlement Form or other form provided by you;

(l) you acknowledge and agree that:

    (i) determination of eligibility of investors for the purposes of the Institutional Entitlement Offer and the Retail Entitlement Offer was determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of Lotus and/or the Underwriter; and

(ii) each of Lotus and the Underwriter, and each of their respective Beneficiaries, disclaim any duty or liability (including for fault, negligence and negligent misstatement) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law;

(m) you represent and warrant that:

(i) for the benefit of Lotus, the Underwriter, and each of their respective Beneficiaries:

(A) you are not an Ineligible Retail Shareholder; and

(B) you are an Eligible Retail Shareholder and are otherwise eligible to participate in the Retail Entitlement Offer; and

(ii) the law of any place does not prohibit you from being given this Prospectus and the personalised Entitlement Form, nor does it prohibit you from making an application for New Shares and that you are otherwise eligible to participate in the Retail Entitlement Offer;

(iii) you are either:

(A) not in the United States; or

(B) in the United States and a Director or senior executive of the Company and are therefore by definition an “accredited investor” within the meaning of Rule 501(a)(4) under the U.S. Securities Act; and

(n) you acknowledge and agree that:

(i) the offer and sale of the New Shares has not been, and will not be, registered under the U.S. Securities Act and that, accordingly, the New Shares may not be offered or sold to, any person in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws;

(ii) you have not and will not send this Prospectus, the Entitlement Form or any other materials relating to the Retail Entitlement Offer to any person in the United States or any other country outside Australia or New Zealand;

(iii) if in the future you decide to sell or otherwise transfer the New Shares, you will only do so in standard (regular way) brokered transactions on the ASX where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States; and

(iv) if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement Form is either (i) a resident in Australia or New Zealand and who is not in the United States or (ii) a Director or senior executive of the Company and is either (A) not in the United States or (B) by definition an “accredited investor” within the meaning of Rule 501(a)(4) under the U.S. Securities Act, and you have only sent this Prospectus, the Entitlement Form or any information relating to the Retail Entitlement Offer to such beneficial holder.

7 Rights of the New Securities

7.1 Rights and liabilities attaching to Shares and to the New Shares

The following is a summary of the more significant rights attaching to the ownership of Shares and New Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered address during normal business hours.

(a) **Voting rights**

Subject to the Constitution and to any rights or restrictions attached to any class or classes of shares, at a general meeting:

(i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;

(ii) on a show of hands, every Shareholder present has one vote; and

(iii) on a poll, every Shareholder present has one vote for each share held by the Shareholder entitling the Shareholder to vote, except for partly paid shares, each of which confers on a poll only the fraction of one vote which the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited) on the share. An amount paid in advance of a call is disregarded for this purpose.

(b) **General meetings**

Shareholders are entitled to receive written notice of and attend and vote at general meetings of the Company.

(c) **Dividend rights**

The Directors may pay any interim and final dividends that, in their judgment, the financial position of the Company justifies. The Directors may pay any dividend required to be paid under the terms of issue of a share.

Subject to any rights or restrictions attached to any shares or class of shares:

(i) all dividends are to be declared and paid according to the amounts paid or credited as paid on the shares in respect of which the dividend is paid;

(ii) all dividends are to be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid;

(iii) an amount paid or credited as paid on a share in advance of a call is not to be taken as paid or credited as paid on the share for the purposes of (i) and (ii) above; and

(iv) interest is not payable by the Company on any dividend.

(d) **Winding-up**

Subject to any rights or restrictions attached to a class of Shares, on a winding up of the Company, any surplus assets of the Company remaining after the payment of its debts must be divided among the Shareholders in the proportions which the amount paid (including amounts credited) on the Shares of a Shareholder is of the total issue price of the Shares of all Shareholders.

If the Company is wound up, the liquidator may, with the sanction of a special resolution, divide among the Shareholders the whole or any part of the property of the Company and may, for that purpose, determine how the division is to be carried out between the Shareholders.

(e) **Transfer of Shares**

Generally, all shares are freely transferable subject to the procedural requirements of the Constitution and to the provisions of the Corporations Act, the ASX Listing Rules and ASX Settlement Pty Limited Settlement Rules. If the Company refuses to register a transfer it must give notice of the refusal as required by the Corporations Act and the ASX Listing Rules.

(f) **Variation of rights**

The rights attached to any class of shares may, unless their terms of issue state otherwise, be varied with the written consent of the holders of 75% of the shares of the class or by a special resolution passed at a separate meeting of the holders of shares of the class.

7.2 Material terms of the CVI Facility and Convertible Note

The Subscription Agreement and the Convertible Note Terms and Conditions set out the terms of the Convertible Notes to be issued to CVI in connection with its proposed investment in the Company.

Term	Summary
Principal Amount (Facility)	A$35,000,000 in denominations of A$100,000 per Convertible Note.
Maturity Date	Five years from the issue date (the **Maturity Date**).
Purpose	As set out in Section 4.2(b) of this Prospectus.
Interest	0% (zero coupon).
Security	Unsecured.
Unlisted	The Convertible Notes are not, and are not proposed to be, admitted to trading or listing on any stock or securities exchange or market.
Status of Convertible Notes against other security	The Convertible Notes will constitute unsecured, unsubordinated, direct, general and unconditional obligations of the Company and shall at all times rank pari passu and without any preference or priority among themselves. Subject to the negative pledge, the payment obligations of the Company under the Convertible Notes shall, save for such exceptions as may be provided by mandatory provisions of applicable legislation, at all times rank at least equally with all of its other present and future unsubordinated obligations.

Term	Summary
Amortisation (Repayment) Schedule	Twelve (12) equal quarterly instalments (each, an **Instalment**) commencing six months from the issue date. The total amortisation period is 3.5 years, assuming no deferrals. The Instalments may be cash or Shares (subject to satisfaction of share settlement conditions) at the Company's election, which the Noteholder may elect to defer. The **share settlement conditions** include the Share price not being below the Floor Price and other conditions relating to the prevailing share price, continued quotation and trading liquidity of Shares, compliance with the agreed Ownership Cap (as defined below) and the Noteholder not possessing material non-public information. If the Company elects to settle in cash or the share settlement conditions are not satisfied, the Instalments shall be settled for an amount equal to the Instalment value divided by 90%. Any Share based settlement of an Instalment is to occur at the applicable Conversion Price.
Noteholder Conversion	The Noteholder may, at any time after the issue date, elect to convert any number of Convertible Notes into Shares at the Conversion Price, subject to the Ownership Cap. Upon conversion and delivery of the relevant Shares, the converted Convertible Note will be deemed to have been repaid in full. Convertible Notes may not be converted if such conversion would result in the Noteholder having an aggregate voting power in the Company in excess of 9.9% (the **Ownership Cap**). In the event that the Company obtains a listing on a United States stock exchange, additional limitations will apply under U.S. law.

Term	Summary
Conversion Price	On the issue date, the initial **Conversion Price** at which Shares will be issued upon conversion is A$0.253, representing 115% of the Offer Price. Thereafter, the Conversion Price will be adjusted to the lower of: • the prevailing Conversion Price; • if, following issue of the Convertible Notes, the Company issues or agrees to issue any other convertible securities on terms that confer an effective conversion price lower than the then prevailing Conversion Price (the **Effective Price**), that Effective Price; and • the Conversion Price as re-calculated on each Quarterly Adjustment Date in the prescribed manner below (the **Reset Price**), provided that, the Conversion Price will never be lower than the Floor Price.
Floor Price	50% of the Offer Price.

Conversion Price Quarterly Adjustments	The Conversion Price will be reset, every three months following commencing on (and including) the first Instalment date (**Quarterly Adjustment Date**), to be the lower of:
	• the current prevailing Conversion Price; or
	• the price per share being 90% of the lower of:
	    • current market price (calculated as the lowest five day VWAP of Shares) as at the relevant or previous Quarterly Adjustment Date; or
	    • the closing price of Shares on the ASX immediately prior to the announcement of the Convertible Note Offer and Detachable Warrant Offer,
	subject always to the Floor Price.

Capital Event Adjustments	In addition to the Conversion Price adjustments on the Quarterly Adjustment Date, the Conversion Price will be subject to value-preservation based adjustments upon the occurrence of certain prescribed dilutive and/or capital events customary for an instrument of this nature, including consolidations, share splits/subdivisions, issues of bonus shares through capitalisation of profits or reserves, in-specie distributions, issues of cash dividends, pro-rata and other issues to shareholders, and issues of securities below closing price of Shares.

Term	Summary

Redemption Terms	The Convertible Notes may be redeemed in the following circumstances:
	• **Redemption at Maturity**: Automatic redemption on the Maturity Date;
	• **Redemption on Change of Control**: Upon the occurrence of an announcement by the Company or any third party of a pending, proposed or intended transaction which, if successful, will lead to a change of control, the Noteholder will have the right to redeem all Convertible Notes (subject to the change of control completing) at an amount that is the higher of:
	    • 125% of the amount outstanding under the Convertible Notes being redeemed; and
	    • the product of (x) the outstanding principal amount of the Convertible Notes being redeemed divided by the then prevailing Conversion Price, and (y) the VWAP of Shares calculated immediately preceding provision of change of control redemption notice;
	• **Redemption in Scrip Consideration**: Where a change of control is implemented wholly or partly through scrip consideration offered generally to shareholders, the relevant portion of the redemption amount may be satisfied by delivery of that scrip, subject to the share settlement conditions and customary liquidity, tradability and regulatory conditions. The number of securities delivered is calculated by reference to the lower of the applicable 10-day VWAP following the change of control and the applicable 5-day VWAP before delivery;
	• **Redemption in Event of Default**: On the occurrence of an event of default, the Noteholder may require the Company to redeem the outstanding Convertible Notes held by the Noteholder, by giving written notice to the Company. The cash amount redeemed would be the higher of:
	    • 125% of the amount outstanding under the Convertible Notes; and
	    • the product of (x) the amount outstanding under the Convertible Notes being redeemed divided by the then prevailing Conversion Price, and (y) the VWAP of Shares calculated on the date notice of redemption due to an event of default is given;
	• **Early Noteholder Redemption**: on each of the third and fourth anniversary of the issue date, the Noteholder will have the right to require the Company to redeem all or part

Term	Summary
	of its then outstanding Convertible Notes for an amount of cash amount equal to 111.1% of par value of the amount that is the subject of the redemption; and • **Redemption for Restart Failure Event**: The Noteholder may redeem all or part of the Convertible Notes for cash equal to 100% of the outstanding principal amount if specified Kayelekera restart milestones are not achieved, or the restart is abandoned, indefinitely suspended or deferred (relevant restart milestones include achieving Commercial Production within 24 months after the issue date, commencing first production or recommissioning by 31 March 2027, and sustaining production of at least 80% of 200,000 lbs U_3O_8 per calendar month for three consecutive months by 31 December 2027).
Conditions Precedent	The issue of the Convertible Notes and the Detachable Warrants are subject to the satisfaction of the following conditions precedent: • receipt of all required board and shareholder approvals, including shareholder approval for ASX Listing Rule 7.1 purposes, with the shareholder approval condition not capable of waiver; • no adverse determination or confirmation from ASX, the lifting of the Company's trading suspension and recommencement of trading in its Shares; • completion of the Entitlement Offer; • lodgement of the Prospectus with ASIC and ASX in a form satisfactory to CVI, acting reasonably and in good faith; • execution and delivery of the Detachable Warrant Deed Poll and provision of the Company's constitutional documents; • the Company's representations and warranties remaining true and accurate, and the Company having performed its material obligations due under the Subscription Agreement before the issue date; • delivery of customary officer and financial certificates and Australian legal opinions; and • no event with a material adverse effect having occurred or being reasonably expected to occur.
Negative Pledge	The Convertible Note contains certain negative pledges customary for a financing arrangement of this nature, including that, while any Convertible Note remains outstanding (unless approved by the Noteholder), the Company must, among other things: • maintain the ASX quotation of its existing Shares and any Shares issued on conversion of the Convertible Notes;

Term	Summary
	• not create security over its present or future revenues or assets, other than permitted security; • ensure that the Mercuria Transaction documents are materially consistent with the agreed term sheet and do not permit any material variation from it. Once entered into, the Company must not amend or otherwise modify the Mercuria Transaction in a manner that adds obligors or security providers or materially adversely affects the Noteholders, without the Noteholders' prior written consent (not to be unreasonably withheld or delayed). The Company must not expand the agreed scope of the Mercuria security under any circumstances at any time, without the Noteholders' prior written consent (not to be unreasonably withheld or delayed); • maintain at least US$10 million of available cash and funding the agreed cash sweep account; • not reduce its share capital or amend its constitution or modify the rights attaching to its Shares in a manner that may materially prejudice the Noteholder; • subject to permitted issuances, not issue convertible securities which entitles the holder thereof to acquire ordinary Shares with a conversion or exercise price that resets by reference to the Company's future market price; • subject to permitted issuances, not issue further Equity-Linked Securities during the three months following issue of the Convertible Notes without the Noteholder's prior consent; • not pay dividends or make distributions if the payment or making of such would result, or where this would trigger an adjustment of the Conversion Price to or below the Floor Price; • conduct its business in material compliance with applicable laws, including anti-bribery, sanctions and anti-money laundering requirements; and • notify the Noteholder of any event having a material adverse effect on the Convertible Notes or the Company.
Warrants	CVI will be issued Detachable Warrants on the issue date. Refer to Section 7.3 for a summary of the key terms of the Detachable Warrants.
Other terms	Other terms of the Subscription Agreement include customary representations, undertakings (including right of first offer, no other issues, use of proceeds and no material non-public information), transfer restrictions (Company written approval required, except for

Term	Summary
	permitted transferees) and events of default (including cross default, breach of cash covenant or security enforced). The Convertible Notes will be governed by the laws of New South Wales, Australia.

7.3 Material terms of the Detachable Warrants

The Subscription Agreement and Detachable Warrant Deed Poll set out the terms of the Detachable Warrants to be issued to CVI in connection with its proposed investment in the Company.

Subject to Shareholder approval of the proposed investment and the satisfaction of certain conditions precedent, the Detachable Warrants entitle the holder (**Warrantholder**) to subscribe for Shares on the following terms and conditions:

(a) (**Right to Subscribe**) Each Detachable Warrant gives the Warrantholder the right to subscribe for one Share (**Detachable Warrant Exercise Ratio**), subject to adjustment as outlined below.

(b) (**Expiry**) The Detachable Warrants will expire at 5.00pm (Sydney time) on the Detachable Warrant Expiry Date. Any Detachable Warrant not exercised before the Detachable Warrant Expiry Date will automatically and immediately lapse on the Detachable Warrant Expiry Date.

(c) (**Exercise Price**) The Detachable Warrants will each have an exercise price equal to the Detachable Warrant Exercise Price, being initially A$0.85 subject to applicable adjustments in accordance with the Detachable Warrant Deed Poll.

(d) (**Exercise Notice**) The Warrantholder may exercise any or all of its Detachable Warrants by delivering to the Company a duly completed notice. The notice must specify the number of Detachable Warrants being exercised and must be accompanied by payment in full of the Detachable Warrant Exercise Price in cleared funds.

(e) (**Issue on Exercise**) The Company must issue to the Warrantholder the Shares to be issued on exercise of a Detachable Warrant no later than the second Business Day after the exercise date of the Detachable Warrant. No fractions of a Share will be issued on the exercise of any Detachable Warrant.

(f) (**Cleansing**) The Company must immediately cleanse the issue of any Shares on the exercise of a Detachable Warrant.

(g) (**Voting**) The Detachable Warrants do not carry a right to vote at a general meeting of the Company, unless provided for by the Corporations Act.

(h) (**Ranking**) All Shares issued upon the exercise of the Detachable Warrants will be fully paid and will rank pari passu in all respects with existing issued Shares. The Company will apply for official quotation by ASX of all Shares issued upon exercise of the Detachable Warrants from their date of issue.

(i) (**Unquoted**) The Company will not apply for official quotation of the Detachable Warrants on the ASX or any other stock exchange.

(j) (**Adjustments**) The Detachable Warrants are subject to adjustment in respect of:

(i) any pro rata issue (other than a bonus issue) of Shares during the Exercise Period, in which case the exercise price reduces according to the formula in the ASX Listing Rules;

(ii) any bonus issue of Shares, in which case the number of Shares over which the Detachable Warrants are exercisable increases by the number of Shares which the Warrantholder would have received if the Detachable Warrants had been exercised before the record date for the bonus issue;

(iii) any reorganisation of capital as set out in paragraph (k) below; and

(iv) any multiple event, where more than one event gives rise to an adjustment the Warrantholders are entitled to designate which adjustment provision applies.

(k) (**Reorganisation**) The Detachable Warrants will be reorganised on reorganisation of capital as follows, in:

(i) a consolidation of the Shares, the number of Detachable Warrants must be consolidated in the same ratio as the Shares and the Detachable Warrant Exercise Price must be amended in inverse proportion to that ratio;

(ii) a subdivision of the Shares, the number of Detachable Warrants must be sub-divided in the same ratio as the Shares and the Detachable Warrant Exercise Price must be amended in inverse proportion to that ratio;

(iii) a return of capital to Shareholders, the number of Detachable Warrants must remain the same, and the Exercise Price of each Detachable Warrant must be reduced by the same amount as the amount returned in relation to each Share;

(iv) a reduction of capital by cancellation of capital paid up on Shares that is lost or not represented by available assets where no Shares are cancelled, the number of Detachable Warrants and the Detachable Warrant Exercise Price of each Detachable Warrant must remain unaltered;

(v) a pro rata cancellation of Shares, the number of Detachable Warrants must be reduced in the same ratio as the Shares and Detachable Warrant Exercise Price of each Detachable Warrant must be amended in inverse proportion to that ratio; and

(vi) any other case where the Shares are reorganised, the number of Detachable Warrants or the Detachable Warrant Exercise Price, or both, must be reorganised so that the Warrantholder will not receive a benefit that holders of Shares do not receive.

(l) (**Dividends**) Restrictions on the issuing of dividends apply, so long as there are Detachable Warrants on issues. The Company must not declare, pay or make any capital distributions or cash dividends to Shareholders without obtaining the prior approval of all Warrantholders, with such approval not being unreasonably withheld.

(m) (**Participation in new issues**) In accordance with ASX Listing Rule 6.19, the Warrantholder does not have a right to participate in new issues of Shares without first exercising the Detachable Warrants and becoming the holder of Shares before the record date for the relevant new issue of Shares.

(n) (**Notice of adjustments**) The Company is required to give notice to the Warrantholders of any adjustment to the Detachable Warrants or the Detachable Warrant Exercise Price, setting out the event giving rise to the adjustment, the adjusted number of Shares over which the Detachable Warrants are exercisable or the adjusted Detachable Warrant Exercise Price (as applicable), and the effective date of such adjustment.

(o) (**Change of Control**) At any time during the 60 days after the change of control trigger event, a Warrantholder may elect to give the Company a cancellation notice (**Cancellation Notice**). If the Company receives a Cancellation Notice in respect of a Detachable Warrant, the Company shall pay to the Warrantholder in settlement an amount calculated in accordance with a Black Scholes option pricing model based formula in respect of that Detachable Warrant and that Detachable Warrant will be cancelled.

(p) (**Minimum Parcels**) The Detachable Warrants may only be transferred in lots of not less than 100,000 Detachable Warrants (except in the case of a transfer by a Warrantholder of all Detachable Warrants held by that Warrantholder), and otherwise in accordance with the Detachable Warrant Deed Poll and all applicable laws and regulations of each relevant jurisdiction.

(q) (**Australian law restriction**) The Warrantholder will not be permitted to exercise its Detachable Warrants to the extent that, after giving effect to such exercise, its aggregate voting power or potential voting power in the Company would exceed 9.9% (as those terms are defined in the *Foreign Acquisitions and Takeovers Act 1975* (Cth)). Any exercise in excess of that limit will be null and void, and any Shares that would otherwise have been issued above that threshold will instead be cash-settled. This limitation will also bind any future holders of the Detachable Warrants.

7.4 Material terms of the Mercuria Transaction

Lotus Africa, Mercuria and the Company (as guarantor) have entered into a binding commitment letter in respect of a prepayment facility and a sale and marketing rights agreement (**Commitment Letter**) under which Lotus Africa will grant Mercuria marketing rights for 3Mlbs of uranium for a period of 30 months commencing in 2026 and in return Mercuria will grant Lotus Africa a prepayment facility to assist the Company with its working capital requirements.

The material terms of the prepayment facility and sale and marketing rights agreement are set out below:

Term	Summary
Quantity / Product	3Mlbs of U_3O_8
Duration	30 months from date of first shipment.
Delivery	As per usual product delivery schedule notifications and timeframes pertaining to the shipment and marketing of product.
Pricing / Marketing	Lotus Africa retains the right to direct Mercuria to sell the product to a counterparty of its choosing, provided such direction is issued within the agreed period prior to the estimated delivery date and the counterparty satisfies Mercuria's legitimacy requirements. Mercuria will be able to recover any marketing costs and shall receive a marketing fee. If Lotus Africa does not exercise its marketing rights, the delivered product will be priced in accordance with the Offtake provision below and Mercuria will have the right to exclusively market 1Mlbs

Term	Summary
	of U_3O_8 at the Offtake provision price to which a marketing fee will not apply.
Offtake	If Lotus Africa does not exercise its marketing rights, the offtake price will be agreed with reference to spot price as published in industry publications.
Prepayment	The prepayment facility is uncommitted. Lotus Africa will have the ability to request prepayment financing while Mercuria retains an approval right. **Financing Fee** Mercuria shall charge a financing fee equivalent to the Secured Overnight Financing Rate (SOFR) plus a margin. Financing fees shall accrue from the date of payment at the port of dispatch until: (a) the payment date (being the day Mercuria receives payment) of the final customer, if Lotus Africa exercises its marketing rights; or (b) twenty-one (21) days after the product is delivered, if Lotus Africa does not exercise its marketing rights. **Amount of Prepayment** A provisional prepayment will be made on shipment from port of dispatch of at least 80% of the notional product value (being either the spot price at the time of shipment or the price of the contract for which the shipment is destined). The final payment will be the difference between the customer invoice amount, less the Mercuria financing fees and the provisional prepayment amount.
Use of proceeds	Lotus Africa must apply the prepayment funds to the production of uranium at its Kayelekera Project and otherwise as approved by Mercuria.
First right of refusal	Mercuria will have a first right of refusal over any sale to a counterparty that is not a utility or other energy generator and in respect of any financing or other prepayment terms. Lotus Africa must provide first offer notices for no less than 1Mlbs of U_3O_8 in aggregate during the period between 2026 and 2029.
Marketing Support	Mercuria will provide comprehensive uranium market updates to Lotus Africa.
Termination	Customary termination rights apply.
Information Right	Customary information rights apply.
Conditions Precedent	Remaining conditions to the commitment include: (a) definitive documentation;

Term	Summary
	(b) Mercuria's satisfaction there is no material adverse change in the assets, properties, operations, business, liabilities or condition of Lotus Africa or the Company from 16 June 2026; (c) completion of tax and legal due diligence; and (d) receipt of all required legal opinions.
Representations and Undertakings	Customary representations and undertakings for this type of offtake and prepayment facility.
Audit Rights	Mercuria will retain rights, exercisable upon notice, to inspect the contents of the shipping container and any drum, reconcile the weights and assay results and view Lotus Africa's packaging process for a drum or container.
Security	Corporate Guarantee from the Company. Mercuria to hold a floating charge over the following assets of Lotus Africa and/or Lily Resources Limited: (a) all receivables from any counterparty; (b) all bank accounts into which sale proceeds are received; and (c) inventory (U_3O_8) during transit and in offsite storage, where permissible.
Event of Default	Customary events of default for a transaction of this nature.
Exclusivity	Until 17 July 2026 and, subject to sufficient progress on the Definitive Documentation, may be extended until 1 September 2026.

Under the Commitment Letter Lotus Africa and Mercuria agree to work together in good faith and use commercially reasonable endeavours toward drafting, agreeing and signing Definitive Documentation no later than 1 September 2026.

The Commitment Letter will terminate if binding Definitive Documentation is not entered into by 31 October 2026 or such later date as agreed by the parties.

8 Additional information

8.1 Underwriting

The Company and the Underwriter have entered into an Underwriting Agreement under which the Underwriter has agreed to fully underwrite the Entitlement Offer.

The obligations of the Underwriter are subject to certain general conditions precedent including (but not limited to):

(a) (**voluntary suspension**) the Company remaining in voluntary suspension until 10.00am on the date the Company is reinstated to trading on ASX;

(b) (**due diligence questionnaire**) the Company delivering to the Underwriter a completed and signed due diligence questionnaire in a form and substance satisfactory to the Underwriter prior to announcement of the Entitlement Offer;

(c) (**due diligence committee report and opinions**) the due diligence exercise being substantially completed to the satisfaction of the Underwriter (acting reasonably), including the Underwriter receiving a copy of the due diligence committee report and a legal opinion in a form and substance satisfactory to the Underwriter prior to announcement of the Entitlement Offer;

(d) (**Prospectus lodgement**) the Company lodging the Prospectus with ASIC in a form approved by the members of due diligence committee, including the Underwriter, prior to the announcement of the Entitlement Offer and providing a copy of the lodged Prospectus to the Underwriter as soon as practicable after lodgement;

(e) (**announcement**) the Company releasing to ASX the announcement, investor presentation, Prospectus and Appendix 3B by 9.00am on the day of the proposed launch of the Entitlement Offer;

(f) (**excluded information**) the Company announcing any "Excluded Information" (as that term is defined in the ASX Listing Rules) to the ASX in a form and substance satisfactory to the Underwriter, at the same time as the announcement of the Entitlement Offer;

(g) (**CVI Investment**) the Subscription Agreement and Detachable Warrant Deed Poll having been validly executed in a form and substance satisfactory to the Underwriter prior to the announcement of the Entitlement Offer and not having been withdrawn, terminated, rescinded, breached or amended and not otherwise becoming capable of being terminated, void, voidable or otherwise non-binding before that time; and

(h) (**Commitment Letter**) the Commitment Letter having been validly executed in a form and substance satisfactory to the Underwriter prior to the announcement of the Entitlement Offer and not having been withdrawn, terminated, rescinded, breached or amended and not otherwise becoming capable of being terminated, void, voidable or otherwise non-binding before that time.

The obligations of the Underwriter in relation to underwriting the Institutional Entitlement Offer are subject to certain conditions precedent including (but not limited to):

(a) (**satisfaction of conditions above**) satisfaction or waiver of each of the conditions precedent outlined in the section above by the time required;

(b) (**U.S. opinion**) Rimôn Law, as special U.S. counsel for the Company, delivering to the Underwriter prior to settlement of the Institutional Entitlement Offer, a legal opinion addressed to and expressed to be for the benefit of the board of directors of the Company and the Underwriter, in a form and substance reasonably satisfactory to the Underwriter, that it is not necessary to register the New Shares issued under the Institutional Entitlement Offer under the U.S. Securities Act and the Company is not required to register as an “investment company” under the U.S. Investment Company Act;

(c) (**Institutional Entitlement Offer**) the results of the Institutional Entitlement Offer being announced to ASX;

(d) (**certificate and sign-offs**) the customary due diligence certificates and sign-offs being delivered in accordance with the agreement;

(e) (**official quotation**) ASX not indicating that it will not grant permission for the official quotation of the New Shares prior to settlement of the Institutional Entitlement Offer;

(f) (**CVI Investment**) the Subscription Agreement and Detachable Warrant Deed Poll not having been withdrawn, terminated, rescinded, breached or amended and not otherwise becoming capable of being terminated, void, voidable or otherwise non-binding prior to settlement of the Institutional Entitlement Offer;

(g) (**Commitment Letter**) the Commitment Letter having been validly executed in a form and substance satisfactory to the Underwriter prior to the announcement of the Entitlement Offer and not having been withdrawn, terminated, rescinded, breached or amended and not otherwise becoming capable of being terminated, void, voidable or otherwise non-binding before that time; (**reinstatement to quotation**) trading in the Company's Shares resumes prior to 10.00am on the date the Company is reinstated to trading on ASX;

(h) (**Prospectus**) ASIC not having indicated that the Company may not make the Entitlement Offer under a prospectus prepared in reliance upon section 713 of the Corporations Act; and

(i) (**no determination**) ASIC not having made, and not having indicated that it will before the settlement of the Institutional Entitlement Offer make, a determination of a contravention by the Company within the previous 12 months of any of the provisions listed in section 713(6) of the Corporations Act.

The obligations of the Underwriter in relation to underwriting the Retail Entitlement Offer are subject to certain conditions precedent including (but not limited to):

(a) (**satisfaction of conditions above**) satisfaction or waiver of each of the conditions precedent outlined in the section above by the time required;

(b) (**Retail Entitlement Offer announcement**) the results of the Retail Entitlement Offer being announced to ASX;

(c) (**dispatch of Prospectus**) the Company dispatches the Prospectus to Retail Shareholders on the relevant date;

(d) (**retail shortfall notice**) receipt by the Underwriter of the shortfall notice in connection with the Retail Entitlement Offer in accordance with the agreement;

(e) (**certificate and sign-offs**) the customary due diligence certificates and sign-offs being delivered in accordance with the agreement;

(f) (**institutional allotment**) the Company allotting and issuing the New Shares offered under the Institutional Entitlement Offer in accordance with the agreement;

(g) (**official quotation**) ASX not indicating that it will not grant permission for the official quotation of New Shares issued in under the Retail Entitlement Offer prior to settlement of the Retail Entitlement Offer;

(h) (**CVI Investment**) the Subscription Agreement and Detachable Warrant Deed Poll not having been withdrawn, terminated, rescinded, breached or amended and not otherwise becoming capable of being terminated, void, voidable or otherwise non-binding prior to settlement of the Retail Entitlement Offer; and

(i) (**Commitment Letter**) the Commitment Letter is withdrawn, terminated, rescinded, breached or amended or has become capable of being terminated, void, voidable or otherwise unenforceable, or any condition to the commitments under it becomes, or is likely in the reasonable opinion of the Underwriter to become, incapable of satisfaction.

If certain conditions are not satisfied or certain events occur, the Underwriter may terminate the Underwriting Agreement. Termination of the Underwriting Agreement would have a material adverse impact on the total amount of proceeds that could be raised under the Entitlement Offer and also whether the Entitlement Offer will proceed, which in turn would have an adverse impact on the Company’s financial position and liquidity.

Unless otherwise specified below, capitalised (but undefined) terms have the meaning given in the Underwriting Agreement.

The events which may trigger termination of the Underwriting Agreement include:

(a) (**delisting**) ASX removes or announces that the Company will be removed from the official list or delists or suspends or announces that any Shares (including the New Shares) will be delisted or suspended from quotation by ASX;

(b) (**voluntary suspension**) ASX does not lift, or indicates that it will not lift, the voluntary suspension by 10:00am on the date the results of the Institutional Entitlement Offer are to be announced;

(c) (**index fall**):

(i) at any time between the entry into this agreement and completion of dispatch of the Confirmation Letters to successful applicants under the Institutional Entitlement Offer and the Institutional Bookbuild, the S&P/ASX 200 Index has fallen to a level that is 10% or more below the level of the S&P/ASX 200 Index as at market close on the day prior to entry into this agreement (the **Base Level**);

(ii) at any time between the entry into this agreement and up to, and including, the date of settlement of the Retail Entitlement Offer, the S&P/ASX 200 Index has fallen to a level that is 10% or more below the Base Level and has remained at a level that is 10% or more below the Base Level for two consecutive Business Days; or

(iii) at market close on the day prior to either the date of settlement of the Institutional Entitlement Offer or the Retail Entitlement Offer, the S&P/ASX 200 has fallen to a level that is 10% or more below the Base Level;

(d) (**quotation**) ASX does not, or states that it will not, agree to grant official quotation of all the New Shares issued under the Entitlement Offer on an unconditional basis (or on a conditional basis provided such condition would not, in the opinion of the Underwriter (acting reasonably), have a material adverse effect on the Entitlement Offer);

(e) (**offer materials**) a statement contained in the announcement, investor presentation or this Prospectus is or becomes misleading or deceptive (including by omission) or likely to mislead or deceive, or the documents omit any information they are required to contain;

(f) (**capital structure**) the Company alters its capital structure without the consent of the Underwriter, other than by issuing New Shares pursuant to the terms of the Entitlement Offer;

(g) (**forecasts**) the announcement, investor presentation or Prospectus include any forecast, expression of opinion, forward looking statement, belief, intention or expectation which is not (or ceases to be) fairly and properly supportable or which is not based on (or there cease to be) reasonable grounds;

(h) (**delay**) any event specified in the Entitlement Offer timetable is delayed by the Company for 2 or more Business Days, without the prior written consent of the Underwriter;

(i) (**withdrawal**) the Company withdraws the Entitlement Offer or any component of it or indicates that it does not intend to or is unable to proceed with the Offer or any component of it;

(j) (**CVI Investment**):

(i) the Company withdraws the CVI Investment or any component of it, or indicates that it does not intend to or is unable to proceed with the CVI Investment or any component of it;

(ii) the Subscription Agreement or Detachable Warrant Deed Poll is withdrawn, terminated, rescinded, breached or amended or has become capable of being terminated, void, voidable or otherwise non-binding;

(k) (**Commitment Letter**) the Commitment Letter is breached, withdrawn, terminated or rendered terminable or any condition to the commitments under it has otherwise become incapable of satisfaction in the Underwriter's reasonable opinion;

(l) (**Certificate**):

(i) any certificate which is required to be furnished by the Company under this agreement is not furnished when required; or

(ii) a statement in that certificate is false, misleading, untrue or incorrect in a material respect (including by omission);

(m) (**insolvency**) the Company or any other member of the Lotus Group is insolvent or there is an act or omission, or circumstance that arises, which is likely to result in insolvency;

(n) (**adverse change**) there is an adverse change, or an event occurs which is likely to give rise to an adverse change, in the assets, liabilities, financial position, results, condition, operations or prospects of the Lotus Group from the position fairly disclosed by the Company to ASX before the date of the Underwriting Agreement;

(o) (**force majeure**) there is an event of force majeure after the execution of this agreement which makes it illegal or commercially impracticable for the Underwriter to satisfy a material obligation under the Underwriting Agreement, or to market, promote or settle the Entitlement Offer, or that causes the Underwriter to delay satisfying a material obligation under the Underwriting Agreement;

(p) (**fraud**) the Company or any of its affiliates, directors or officers engage in any fraudulent conduct or activity;

(q) (**indictable offence**) a director or officer of the Company is charged with an indictable offence relating to financial or corporate matters or fraudulent or misleading or deceptive conduct;

(r) (**disqualification**) a director or officer of the Company is disqualified from managing a corporation;

(s) (**change in management or board**) a change in the senior management or board of directors of the Company occurs;

(t) (**investigation**) the Company or the Entitlement Offer become the subject of a regulatory investigation;

(u) (**breach**) the Company is in breach of any terms and conditions of the Underwriting Agreement;

(v) (**representations and warranties**) any representation or warranty is or becomes incorrect, untrue or misleading;

(w) (**information**) any information supplied by or on behalf of the Company to the Underwriter for the purposes of the due diligence exercise or the Entitlement Offer, is or becomes false, misleading or deceptive, or is or becomes likely to mislead or deceive (including, in each case, by omission);

(x) (**new circumstance**) a new circumstance that would be adverse from the point of view of an investor arises that would have been required to be disclosed had it arisen before lodgement of the Prospectus with ASX;

(y) (**Supplementary Prospectus**) the Company lodges a supplementary Prospectus that has not been approved by the members of the due diligence committee, including the Underwriter, or a supplementary Prospectus is required to be lodged with ASIC under the Corporations Act;

(z) (**consents**):

  (iii) any person (other than the Underwriter) who has previously consented to the inclusion of its name in the Prospectus or any Supplementary Prospectus withdraws that consent; or

  (iv) any person (other than the Underwriter) gives a notice under section 730 of the Corporations Act in relation to the Prospectus or any supplementary Prospectus;

(aa) (**change in law**) there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any State of Australia a new law, or the Reserve Bank of Australia, or any Commonwealth or State authority or ASIC, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced prior to the date of this agreement) any of which does or is likely to prohibit or regulate the Entitlement Offer, capital markets or stock markets;

(bb) (**contravention of law**) the Company contravenes certain laws applicable to the Entitlement Offer;

(cc) (**market disruption**) there is a material suspension or disruption of certain financial and securities markets; or

(dd) (**hostilities**) hostilities not presently existing commence or a major escalation in existing hostilities occurs involving any one or more of Australia, New Zealand, the United States of America, any member state of the European Union, Japan, the People's Republic of China, Israel, Iran, Russia, Ukraine, Lebanon, Malawi or Botswana.

A number of these events will only give rise to a termination right where a materiality threshold (as outlined in the Underwriting Agreement) is satisfied.

Under the Underwriting Agreement, the Underwriter will receive a 1% management fee and a 4% underwriting fee of the proceeds from the Entitlement Offer (both exclusive of GST) (**Underwriting Fee**). The Underwriter will pay any fees due to sub-underwriters from the Underwriting Fee. In addition, an incentive fee of an amount up to 1% of the proceeds from the Entitlement Offer (exclusive of GST), may be payable to the Underwriter at the absolute discretion of the Company having regard to the performance of the Underwriter's services in connection with the Entitlement Offer.

The Company has also agreed to pay or reimburse the Underwriter for the reasonable and properly incurred costs, charges or expenses incidental to the Entitlement Offer.

The Company also gives certain representations, warranties and undertakings to the Underwriter and an indemnity to the Underwriter and certain affiliated parties subject to certain carve-outs. As part of the undertakings, the Company has agreed, for a prescribed period of time, not to allot, sell or otherwise dispose or agree to allot, sell or otherwise dispose of any shares or other securities in the capital of the Company without the prior written consent of the Underwriter, subject to certain conditions.

8.2 CVI Facility and Detachable Warrant Deed Poll

(a) **CVI Facility**

A summary of the key terms and conditions of the CVI Facility are in Section 7.2.

(b) **Detachable Warrant Deed Poll**

The Company entered into the Detachable Warrant Deed Poll as part of the CVI Facility.

A summary of the key terms and conditions of the Detachable Warrants to be issued under the Detachable Warrant Offer can be found in Section 7.3.

8.3 Continuous disclosure obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the securities in the Company.

This Prospectus is a "transaction specific prospectus". In general terms, a "transaction specific prospectus" is only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to the ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of the ASX as applicable from time to time throughout the 12 months before the issue of this Prospectus which required the Company to notify the ASX of information about specified events or matters as they arise for the purpose of the ASX making that information available to the stock market conducted by the ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

(a) it is subject to regular reporting and disclosure obligations;

(b) copies of documents lodged with ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of ASIC; and

(c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the closing date of 5.00pm (AEST) on 13 August 2026:

    (i) the annual financial report most recently lodged by the Company with ASIC;

(ii) the half-year financial report lodged by the Company with ASIC after the lodgement of the annual financial report referred to in (1) and before the lodgement of this Prospectus with ASIC; and

(iii) any continuous disclosure documents given by the Company to the ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with ASIC.

Copies of all documents lodged with ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged with the ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with ASIC are set out in the table below:

Date	Subject of announcement
21/07/2026	Response to ASX Aware Query
16/07/2026	Kayelekera Project Update and Voluntary Suspension Extension
13/07/2026	Change in substantial holding
10/07/2026	Application for quotation of securities - LOT
30/06/2026	Notification of cessation of securities - LOT
29/06/2026	Change in substantial holding
25/06/2026	Kayelekera Project and Funding Update, Suspension Extension
22/06/2026	Suspension from Quotation
18/06/2026	Trading Halt
17/06/2026	Change in substantial holding
16/06/2026	Change in substantial holding
15/06/2026	Change in substantial holding
15/06/2026	Change in substantial holding
27/05/2026	Change in substantial holding
26/05/2026	Change in substantial holding
22/05/2026	Change in substantial holding
22/05/2026	Notification of cessation of securities - LOT
22/05/2026	Technical Appointments to Drive Production
21/05/2026	Change in substantial holding
20/05/2026	Change in substantial holding
19/05/2026	Change in substantial holding
18/05/2026	Change in substantial holding
13/05/2026	Change in substantial holding
13/05/2026	Change in substantial holding

Date	Subject of announcement
11/05/2026	Response to ASX Aware Query
11/05/2026	Becoming a substantial holder
06/05/2026	Becoming a substantial holder
30/04/2026	Quarterly Report Investor Call Notification - 1 May 2026
30/04/2026	Quarterly Activities and Cash Flow Reports - March 2026
29/04/2026	Lotus Completes First Phase of Infill Drilling at Letlhakane
17/04/2026	Kayelekera Production Resumes
09/04/2026	Change in substantial holding
07/04/2026	Kayelekera Production Update
01/04/2026	Kayelekera Uranium Accepted by Orano Conversion Facility
25/03/2026	Change in substantial holding
25/03/2026	Kayelekera Uranium Production Ramp Up Continues
20/03/2026	Becoming a substantial holder
18/03/2026	Ceasing to be a substantial holder
17/03/2026	Becoming a substantial holder
10/03/2026	Change of Director's Interest Notice - S Hay
10/03/2026	Change of Director's Interest Notice - M Bowen
10/03/2026	Change of Director's Interest Notice - G Bittar
10/03/2026	Kayelekera Production Ramps Up, Commissioning of Acid Plant
09/03/2026	Application for quotation of securities - LOT
09/03/2026	Results of Share Purchase Plan
06/03/2026	Half Year Financial Report - 31 December 2025
04/03/2026	Ceasing to be a substantial holder
24/02/2026	Change in substantial holding
18/02/2026	Ceasing to be a substantial holder
17/02/2026	Change in substantial holding
16/02/2026	Ceasing to be a substantial holder
16/02/2026	Change in substantial holding
16/02/2026	Update - Proposed issue of securities - LOT
16/02/2026	Open of Share Purchase Plan and Offer Documents
16/02/2026	Change in substantial holding
16/02/2026	Investor Presentation - Kayelekera Site Visit
13/02/2026	Share Purchase Plan - ASX Waivers from LR 7.1 and 10.11
13/02/2026	Change in substantial holding

Date	Subject of announcement
13/02/2026	Change in substantial holding
12/02/2026	Cleansing Notice under s708A(5)(e) of the Corporations Act
12/02/2026	Application for quotation of securities - LOT
10/02/2026	Change in substantial holding
10/02/2026	Becoming a substantial holder
09/02/2026	Becoming a substantial holder
09/02/2026	Application for quotation of securities - LOT
06/02/2026	Completion of A$76 million Placement
05/02/2026	Proposed issue of securities - LOT
05/02/2026	Proposed issue of securities - LOT
05/02/2026	Investor Presentation - Equity Raise
05/02/2026	Lotus Launches A$76 million Placement
05/02/2026	Trading Halt
03/02/2026	Application for quotation of securities - LOT
30/01/2026	Quarterly Activities and Cash Flow Reports - December 2025
29/01/2026	Acid Supply Chain Improvements Support Kayelekera Production
22/01/2026	Completion of Share Capital Consolidation
22/01/2026	Update - Consolidation/Split - LOT
16/01/2026	Update - Consolidation/Split - LOT
16/01/2026	New Constitution
16/01/2026	Results of Meeting - EGM
24/12/2025	Ceasing to be a substantial holder
23/12/2025	Cleansing Notice under s708A(5)(e) of the Corporations Act
23/12/2025	First High Grade Ore Delivered to ROM
18/12/2025	Notification of cessation of securities - LOT
18/12/2025	Notification regarding unquoted securities - LOT
18/12/2025	Application for quotation of securities - LOT
17/12/2025	Consolidation/Split - LOT
17/12/2025	Notice of Extraordinary General Meeting/Proxy Form
11/12/2025	Change of Director's Interest Notice - G Bittar
10/12/2025	Share Capital Consolidation
10/12/2025	Notification regarding unquoted securities - LOT
04/12/2025	Operations Update as Kayelekera Moves Towards Steady State
24/11/2025	First Blast at Kayelekera

Date	Subject of announcement
21/11/2025	Change of Director's Interest Notice - L Heywood
21/11/2025	Change of Director's Interest Notice - S Hay
21/11/2025	Change of Director's Interest Notice - M Bowen
21/11/2025	Change of Director's Interest Notice - G Bittar
20/11/2025	Cleansing Notice under s708A(5)(e) of the Corporations Act
20/11/2025	Application for quotation of securities - LOT
19/11/2025	Notification regarding unquoted securities - LOT
19/11/2025	FY2025 Sustainability Report
18/11/2025	Results of Meeting - 2025 Annual General Meeting
14/11/2025	Becoming a substantial holder
07/11/2025	Investor Presentation - WA Macquarie Forum
05/11/2025	Application for quotation of securities - LOT
31/10/2025	Ceasing to be a substantial holder
30/10/2025	Quarterly Activities and Cash Flow Reports - September 2025
28/10/2025	Application for quotation of securities - LOT
28/10/2025	Becoming a substantial holder
23/10/2025	Application for quotation of securities - LOT
21/10/2025	Letlhakane met testwork shows up to 70% acid reduction
17/10/2025	Notice of 2025 Annual General Meeting/Proxy Form
14/10/2025	Investor Presentation - Kayelekera Site Visit
08/10/2025	Change in substantial holding
08/10/2025	Cleansing Notice under s708A(5)(e) of the Corporations Act
07/10/2025	Application for quotation of securities - LOT
02/10/2025	Cleansing Notice under s708A(5)(e) of the Corporations Act
02/10/2025	Letlhakane Drilling
01/10/2025	Application for quotation of securities - LOT

The ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at the ASX during normal office hours.

The announcements are also available through the Company's website (www.lotusresources.com.au).

8.4 Corporate governance

The Board is responsible for the corporate governance of the Company and to ensure that the Lotus Group is properly managed and controlled. In this regard, the Board is committed to maintaining and promoting the principles of good corporate governance.

The Directors are of the view that Lotus Group has complied in all substantial respects with corporate governance best practice in Australia, including with the ASX Corporate Governance Council Corporate Governance Principles and Recommendations. The Directors believe that any departure from the ASX Corporate Governance Council Corporate Governance Principles and Recommendations is in the best interests of Shareholders, having regard to the size and the pre-production stage of the Company.

8.5 Related Party disclosure

From time to time the Company may be party to transactions with Related Parties including:

(a) employment and service arrangements;

(b) issue of securities to Directors or entities associated with Directors; and

(c) payment of Directors' fees.

The Company believes that it has made appropriate disclosure of past Related Party transactions and other than any further disclosure made in this Prospectus does not intend to make any further disclosure of such transactions, which will have either proceeded on an "arm's length" basis, reasonable remuneration basis or been approved by Shareholders in general meeting.

8.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no expert, Underwriter, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus, nor any firm in which any of those persons is or was a partner, nor any company with which any of those persons is or was associated, has or had within 2 years before the lodgement of this Prospectus with ASIC, any interest in:

(a) the formation or promotion of the Company;

(b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offers; or

(c) the Offers,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any expert, underwriter, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus, or to any firm in which any of those persons is or was a partner, or to any company with which any of those persons is or was associated, for services rendered by that person, or by the firm or the company, in connection with the formation or promotion of the Company or the Offers pursuant to this Prospectus.

Allens are acting as solicitors to the Offers and have performed work in relation to this Prospectus. In doing so, Allens have placed reasonable reliance upon information provided to them by the Company. Allens does not make any statement in this Prospectus. In respect of this work, the Company estimates that it will pay approximately A$420,000 (excluding disbursements and GST) to Allens. Further amounts may be paid to Allens in accordance with its normal time-based charges.

The Underwriter is acting as underwriter, lead manager and bookrunner to the Entitlement Offer. The Underwriter has placed reasonable reliance upon information provided to it by the Company. The Underwriter does not make any statement in this Prospectus. In respect of the work, the Company estimates that it will pay a maximum of approximately A$3,610,000 (excluding disbursements and GST) to the Underwriter under the terms of the Underwriting Agreement. Further details of the underwriting arrangements are set out in Section 8.1.

The Share Registry has been appointed to conduct the Company's share registry functions and to provide administrative services in respect to issue of the New Securities under the Offers and will be paid for these services on standard industry terms and conditions.

8.7 Consents

Each of the parties referred to in this Section 8.7:

(a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section 8.7; and

(b) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section 8.7.

The Share Registry has given and has not withdrawn its consent to be named in this Prospectus as the Share Registry for the Company in the form and context in which it is named. It takes no responsibility for any part of this Prospectus other than references to its name.

Allens has given and has not withdrawn its consent to be named in this Prospectus as solicitors to the Offers in the form and context in which it is named. It takes no responsibility for any part of this Prospectus other than references to its name.

The Underwriter has given and has not withdrawn its consent to be named in this Prospectus as lead manager, underwriter and bookrunner to the Entitlement Offer in the form and context in which it has been named. The Underwriter takes no responsibility for any part of this Prospectus other than references to its name.

The Directors have given and have not withdrawn their consent to be named in this Prospectus as Directors to the Company in the form and context in which they have been named. They take no responsibility for any part of this Prospectus other than references to their name.

8.8 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on the ASX.

The highest, lowest and last closing market sale prices of the Shares on the ASX during the three months immediately preceding the date of lodgement of this Prospectus with ASIC and the respective dates of those sales were:

	A$	Date
Highest	$1.59	17 April 2026
Lowest	$0.51	11 June 2026
Last	$0.66	17 June 2026

8.9 Subsequent events

There has not arisen, at the date of this Prospectus any item, transaction or event of a material or unusual nature not already disclosed in this Prospectus which is likely, in the opinion of the Directors of the Company, to affect substantially:

(a) the operations of the Company;

(b) the results of those operations; or

(c) the state of affairs of the Company.

8.10 Litigation

At the date of this Prospectus, the Company is not subject to any litigation which is likely, in the opinion of the Directors of the Company, to affect substantially:

(a) the operations of the Company;

(b) the results of those operations; or

(c) the state of affairs of the Company.

8.11 Taxation

You should be aware that there may be taxation implications associated with participating in the Offers and receiving New Securities.

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for New Shares, or the disposal of any New Shares allotted and issued. The Company does not accept any responsibility in this regard, and Shareholders should consult with their professional tax adviser.

8.12 Privacy

By submitting an Entitlement Form for New Securities, you are providing to the Company personal information about yourself. If you do not provide complete and accurate personal information, your application may not be able to be processed.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules.

The Company maintains the register of members of the Company through the Share Registry, an external service provider. The Company requires the Share Registry to comply with the National Privacy Principles in performing these services. The Company's Register is required under the Corporations Act to contain certain personal information about you such as your name and address and number of shares and options held. In addition, the Company collects personal information from members such as, but not limited to, contact details, bank accounts and membership details and tax file numbers.

This information is used to carry out registry functions such as payment of dividends, sending annual and half yearly reports, notices of meetings, newsletters and notifications to the Australian Taxation Office. In addition, contact information will be used from time to time to inform members of new initiatives concerning the Company.

The Company understands how important it is to keep your personal information private. The Company will only disclose personal information we have about you:

(a) when you agree to the disclosure;

(b) when used for the purposes for which it was collected;

(c) when disclosure is required or authorised by law;

(d) to other members in the group of companies;

(e) to your broker; or

(f) to external service suppliers who supply services in connection with the administration of the Company's Register such as mailing houses and printers, Australia Post and financial institutions.

You have the right to access, update and correct your personal information held by the Company and the Share Registry, except in limited circumstances. If you wish to access, update or correct your personal information held by the Share Registry or by the Company please contact our respective offices.

If you have any questions concerning how the Company handles your personal information please contact the Company.

8.13 Directors' authorisation

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with ASIC.

Michael Bowen
Non-Executive Chair
Lotus Resources Limited

Dated 23 July 2026

9 Glossary

A$ means Australian dollars.

Additional New Shares means the New Shares applied for by an Eligible Retail Shareholder that are in excess of the Eligible Retail Shareholder's Entitlement under the Oversubscription Facility.

Applicant means a person who submits a valid Application Form under this Prospectus.

Application means the lodgement of a valid Application Form.

Application Form means an Entitlement Form, a Personalised Application Form or a Confirmation of Allocation as the context requires.

Application Money or **Application Monies** means the aggregate amount of money payable for New Shares applied for in a duly completed Application Form.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or, as the context requires, the securities exchange operated by that entity.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement means ASX Settlement Pty Limited (ACN 008 504 532).

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

AEST means Australian Eastern Standard Time.

Beneficiaries mean in relation to the Company, the Underwriter and the Share Registry (as applicable), their respective related bodies corporate or affiliates or any of their respective directors, officers, partners, employees, representatives, contractors, consultants, agents or advisers.

Board means the board of Directors unless the context indicates otherwise.

BPAY® means BPAY Pty Limited (ABN 69 079 137 518).

Business Day means a day (other than Saturday, Sunday, public holiday or any other day that the ASX declares is not a business day) on which banks are open for general banking business in Sydney, New South Wales or Perth, Western Australia.

Canaccord means Canaccord Genuity (Australia) Limited (ACN 075 071 466).

Cancellation Notice has the meaning given to it in Section 7.3(o).

CHESS means the ASX Clearing House Electronic Sub-register System**.**

Closing Date means the dates specified in the Timetable set out at the commencement of this Prospectus (unless extended or closed earlier).

Commitment Letter means the commitment letter entered into by the Company, Lotus Africa and Mercuria in connection with the Mercuria Transaction.

Company or Lotus means Lotus Resources Limited (ACN 119 992 175).

Confirmation of Allocation means a confirmation of allocation, substantially in the form provided in the 'Master ECM Terms' (as posted on the website of the Australian Financial Markets Association), to be sent to, and to be signed by, each Institutional Investor confirming its participation in the Institutional Entitlement Offer.

Constitution means the constitution of the Company as at the date of this Prospectus.

Convertible Note Terms and Conditions means the terms and conditions of the Convertible Notes set out in Schedule 1 of the Subscription Agreement.

Convertible Notes means the new convertible debt securities representing part of the CVI Facility.

Convertible Note Offer has the meaning given to it in Section 1.19(a).

Corporations Act means the *Corporations Act 2001* (Cth).

CRN has the meaning given in Section 6.7.

Custodian means a custodian, trustee or nominee holder of Shares within the meaning of "custodian" in *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547*.

CVI means CVI Investments, Inc.

CVI Facility means the Convertible Note Offer and the Detachable Warrant Offer.

CVI Investment means the Convertible Note Offer, the Detachable Warrant Offer and the CVI Sub-Underwriting Commitment.

CVI Sub-Underwriting Commitment means CVI's commitment to subscribe for New Shares up to the value of A$5 million by sub-underwriting the Retail Entitlement Offer, on terms to be agreed with the Underwriter.

Detachable Warrant Deed Poll has the meaning given in Section 1.19.

Detachable Warrant Exercise Period means in respect of each Detachable Warrant, a period of 5 years commencing on the issue date of the Warrants.

Detachable Warrant Exercise Price has the meaning given to it in Section 1.19(b).

Detachable Warrant Exercise Ratio has the meaning given to it in Section 7.3(a).

Detachable Warrant Expiry Date has the meaning given to it in Section 1.19(b).

Detachable Warrants has the meaning given to it in Section 1.19(b).

Detachable Warrant Offer has the meaning given to it in Section 1.19(b).

Directors mean the directors of the Company at the date of this Prospectus.

EFT means electronic funds transfer.

Eligible Institutional Shareholders has the meaning given to it in Section 1.6.

Eligible Retail Shareholders has the meaning given to it in Section 1.6.

Eligible Shareholder means a person who is an Eligible Institutional Shareholder or an Eligible Retail Shareholder.

Eligible U.S. Fund Manager means a dealer or other professional fiduciary organised or incorporated in the United States that is acting for a discretionary or similar account (other than an estate or trust) held for the benefit or account of persons that are not "U.S. persons" (as defined in Regulation S under the U.S. Securities Act) for which it has and is exercising investment discretion, within the meaning of Rule 902(k)(2)(i) of Regulation S under the U.S. Securities Act.

Entitlement means the number of New Shares, for which an Eligible Shareholder is entitled to subscribe under the Entitlement Offer, being one (1) New Share for every existing one (1) Share held on the Record Date.

Entitlement Form means a personalised entitlement form which can be downloaded from the Offer Website.

Entitlement Offer means the accelerated pro-rata non-renounceable entitlement offer of New Shares to Eligible Shareholders under this Prospectus.

Equity-Linked Securities include, without limitation, any Shares, preference shares, performance shares or any options, warrants or other rights (whether directly or indirectly) to convert, subscribe for or purchase or otherwise acquire Shares, preference shares or performance shares in the Issuer.

Excess Amount has the meaning given to it in Section 6.3.

Exploration Results has the meaning given to it in the JORC Code.

FMC Act has the meaning given in Section 1.17.

FPO has the meaning given in Section 1.17.

FSMA has the meaning given in Section 1.17.

General Meeting means the Company's extraordinary general meeting to be held in or around August 2026.

Independent Financial Adviser means an independent investment bank or independent financial adviser or independent financial institution or accountant or auditor of international repute jointly appointed by the Noteholder and the Issuer (each acting reasonably), such costs of appointment to be borne equally by the Issuer and the Noteholder.

Ineligible Institutional Shareholder has the meaning given to it in Section 1.6.

Ineligible Retail Shareholder has the meaning given to it in Section 1.6.

Ineligible Shareholders means any person who is an Ineligible Institutional Shareholder or an Ineligible Retail Shareholder.

Institutional Entitlement Offer means the accelerated non-renounceable pro-rata entitlement offer of New Shares to Eligible Institutional Shareholders.

Institutional Investor means an institutional or professional investor that:

(a) if in Australia, is an "exempt investor" as defined in section 9A(5) of the Corporations Act (as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2026/98* and any other applicable ASIC legislative instrument or other relief);

(b) if in Canada (British Columbia, Ontario and Quebec provinces), is an "accredited investor" as defined in National Instrument 45-106 - *Prospectus Exemptions* ("NI 45-106") and a "permitted client" (as defined in National Instrument 31-103 – Registration Requirements, Exemptions and Ongoing Registrant Obligations);

(c) if in the European Union (excluding Austria), is a "qualified investor" (as defined in Article 2(e) of the Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union);

(d) if in Hong Kong, is a "professional investor" (as defined in the Securities and Futures Ordinance of Hong Kong, Chapter 571 of the Laws of Hong Kong);

(e) if in New Zealand, a person who (i) is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act, (ii) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act, (iii) is large within the meaning of clause 39 of Schedule 1 of the FMC Act, (iv) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act or (v) is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act (and, if an eligible investor, have provided the necessary certification);

(f) if in Singapore, an “institutional investor” or an “accredited investor” (as such terms are defined in the Securities and Futures Act 2001 of Singapore);

(g) if in Switzerland, a “professional client” within the meaning of article 4(3) of the Swiss Financial Services Act (“FinSA”) or has validly elected to be treated as a professional client pursuant to article 5(1) of the FinSA;

(h) if in the United Kingdom, a “qualified investor” within the meaning of paragraph 2 of Schedule 1 to The Public Offers and Admissions to Trading Regulations 2024; and within the categories of persons referred to in Article 19(5) (investment professionals) or Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended;

(i) if in the United States, is either (i) a "QIB" or (ii) an "Eligible U.S. Fund Manager"; or

(j) in certain selected jurisdictions outside Australia or New Zealand, to whom an offer of New Shares may be made without any other registration, lodgement or approval with or by a government authority (other than one which the Company, in its absolute discretion, is willing to comply).

Investor Presentation means the Company’s Investor Presentation lodged with ASX on 23 July 2026.

Issuer means the Company.

JORC Code means the 2012 Edition of the Australasian Joint Ore Reserves Committee Code for Reporting on Exploration Results, Mineral Resources and Ore Reserves.

Lotus Africa means Lotus (Africa) Limited.

Lotus Group means the Company and its controlled entities.

Mercuria means Mercuria Energy Trading SA.

Mercuria Transaction means the proposed prepayment and a sale agreement to include certain marketing rights to be entered into by the Company, Lotus Africa and Mercuria.

Mineral Resource has the meaning given to it in the JORC Code.

New Securities means a:

(a) New Share;

(b) Detachable Warrant; and/or

(c) Convertible Note,

as the context requires.

New Share means a new Share to be issued under the Entitlement Offer.

Noteholder means the registered holder of a Convertible Note from time to time.

Offer Price means A$0.22 per New Share.

Offer Website means www.computersharecas.com.au/LOToffer.

Offers means the Entitlement Offer, Detachable Warrant Offer and Convertible Note Offer.

Official Quotation means official quotation on the ASX.

Opening Date means the dates specified in the Timetable set out at the commencement of this Prospectus (unless extended or opened earlier).

Option means an option to subscribe for a Share.

Optionholder means the holder of an Option.

Ore Reserve has the meaning given to it in the JORC Code.

Oversubscription Facility means the top up offer under which Eligible Retail Shareholders may apply for Additional New Shares in excess of their Entitlement, capped at 50% of their Entitlement.

Performance Right means a performance right in the capital of the Company.

Permitted Jurisdiction means Australia, New Zealand, Canada (British Columbia, Ontario and Quebec provinces), European Union (excluding Austria), Hong Kong, Singapore, Switzerland, the United Kingdom and the United States.

Personalised Application Form means a personalised application form issued by the Company to CVI in relation to the Detachable Warrant Offer and Convertible Note Offer, together with a copy of this Prospectus.

Prospectus means this prospectus.

Prospectus Date means 23 July 2026.

Prospectus Regulation has the meaning given to it in Section 1.17.

QIB means “qualified institutional buyer” as such term is defined in Rule 144A under the U.S. Securities Act.

Record Date means the date specified in the Timetable set out at the commencement of this Prospectus.

Register means the share register of the Company kept pursuant to the Corporations Act.

Related Party has the meaning given to it in the ASX Listing Rules.

Relevant Stock Exchange means (i) in the case of the Shares, the ASX and (ii) in the case of securities (other than Shares), options, warrants or other rights or assets, the principal stock exchange or securities market on which such securities (other than Shares), options, warrants or other rights or assets are then listed, admitted to trading or quoted or dealt in.

Remuneration Pool has the meaning given to it in Section 2.3.

Retail Entitlement Offer means the pro-rata non-renounceable entitlement offer of New Shares to Eligible Retail Shareholders.

Retail Entitlement Offer Period means the period from 30 July 2026 to 5.00pm (AEST) on 13 August 2026.

Secondary Offers means the Detachable Warrant Offer and the Convertible Note Offer.

Section means a section of this Prospectus.

Securities means:

(a) a Share; and/or

(b) an Option; and/or

(c) a Warrant; and/or

(d) a Performance Right; and/or

(e) a New Security,

as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Share Registry means Computershare Investor Services Pty Ltd (ABN 48 078 279 277).

Shareholder means a registered holder of Shares in the Company.

Shortfall or Shortfall Shares means any Entitlements not taken up under the Entitlement Offer (including the Oversubscription Facility).

Spin-Off Securities means equity share capital of an entity other than the Issuer or options, warrants or other rights to subscribe for or purchase equity share capital of an entity other than the Issuer.

Subscription Agreement means the subscription agreement for Convertible Notes and Detachable Warrants entered into by CVI and the Company.

Trading Day means a day on which the Relevant Stock Exchange is open for business and on which Shares, securities, options, warrants or other rights or assets (as the case may be) may be dealt in (other than a day on which the Relevant Stock Exchange is scheduled to or does close prior to its regular closing time).

Term Sheet means the non-binding term sheet between Lotus Africa, the Company and Mercuria regarding a marketing agreement and prepayment facility.

Timetable means the timetable set out at the commencement of this Prospectus.

Underwriter means Canaccord.

Underwriter Parties means the Underwriter, its affiliates, their related bodies corporate (as defined in the Corporations Act) and each of their respective directors, employees, officers, partners, advisors, agents or representatives.

Underwriting Agreement means the underwriting agreement between the Company and the Underwriter as summarised in Section 8.1.

Underwriting Fee has the meaning given in Section 8.1.

Unquoted Option means an Option not quoted on the ASX.

US$ means United States dollars.

U.S. Securities Act means the U.S. Securities Act of 1933.

VWAP means:

(a) when used in Section 7.2, in respect of a Share or, as the case may be, a Spin-Off Security, option, warrant or other right or asset on any Trading Day, the volume-weighted average price of a Share or, as the case may be, a Spin-Off Security published by or derived (in the case of a Share) from Bloomberg page HP (or any successor page) (setting Weighted Average Line, or any other successor setting and using values not adjusted for any event occurring after such Trading Day; and for the avoidance of doubt, all values will be determined with all adjustment settings on the DPDF Page, or any successor or similar setting, switched off) for such Share, Spin-Off Security, option, warrant or other right or asset in respect of the Relevant Stock Exchange for such Share, Spin-Off Security, option, warrant or other right or asset (and for the avoidance of doubt such Bloomberg page for the Shares where the Relevant Stock Exchange is ASX shall be LOT AU Equity HCP), if any or, in any such case, such other source as shall be determined in good faith to be appropriate by an Independent Financial Adviser on such Trading Day, provided that if on any such Trading Day such price is not available or cannot otherwise be determined as provided above, the VWAP of a Share, Spin-Off Security, option, warrant or other right or asset in respect of such Trading Day shall be the VWAP, determined as provided above, on the immediately preceding Trading Day on which the same can be so determined, all determined by an Independent Financial Adviser in such manner as it might otherwise determine in good faith to be appropriate; and

(b) when used in any other Section of this Prospectus, ‘volume weighted average market price’ as that term is defined in the ASX Listing Rules.

Warrant means a warrant to subscribe for a Share.

Warrantholder has the meaning given to it in Section 7.3.