ASX Announcement **18 August 2026**

CHARIOT SIGNS TERM SHEET WITH C&D AND ZHONGNUO FOR PROPOSED PARTNER-FUNDED NIGERIAN DSO PROGRAM

HIGHLIGHTS

- **Chariot Resources Ltd (ASX: CC9) has entered into a term sheet with C&D (Hainan) Co., Ltd ("C&D"), Hong Kong ZhongNuo Energy Limited ("ZhongNuo") and C&C Minerals Limited ("C&C Minerals") for a proposed partner-funded drilling, potential trial-mining and direct shipping ore (DSO) offtake program at one project within Chariot's previously announced Nigerian lithium portfolio.**
- **C&D is a wholly owned subsidiary of Xiamen C&D Inc. (SSE: 600153), a major China-based supply-chain and commodities group with substantial lithium raw-material operations. Under the proposed structure, C&D would act as the offtake buyer and US dollar payer for qualifying DSO.**
- **ZhongNuo would fund and undertake a minimum 1,500-metre diamond drilling program and, subject to satisfactory results and the parties agreeing to proceed, would fund and operate potential trial mining. ZhongNuo has represented that it has Nigerian mining operating capability and their own existing processing infrastructure; those arrangements remain subject to verification and definitive documentation.**
- **The parties have agreed a 90-day exclusivity period to complete site reviews, select one project and negotiate a definitive agreement ("Definitive Agreement"). C&D has paid Chariot a refundable US$100,000 exclusivity fee.**
- **Potential Phase 1 trial mining would be capped at a maximum of 240,000 tonnes of DSO. This is a contractual maximum only, not a production target or forecast. No Mineral Resource or Ore Reserve has been estimated for any of the Fonlo, Iganna or Saki project areas. There is no minimum mining, delivery or purchase commitment.**
- **The Term Sheet is binding only in respect of specified process and protection provisions. The proposed drilling, trial-mining, funding and offtake arrangements remain subject to due diligence, execution of a definitive agreement, completion of the Nigerian Portfolio Acquisition, confirmation of the relevant mineral titles and receipt of all required approvals. There is no assurance that the program will proceed.**

Proposed Phase 1 Program

Chariot Resources Limited (ASX: CC9) ("Chariot" or the "Company") has entered into a binding term sheet (the "Term Sheet") with C&D, ZhongNuo and C&C Minerals in relation to one project to be selected from the Fonlo, Iganna and Saki project areas. These project areas form part of the Nigerian portfolio proposed to be acquired by C&C Minerals, Chariot's joint venture vehicle with Continental Lithium Limited ("Continental"). Completion of that acquisition remains outstanding.

The Term Sheet establishes an exclusivity and evaluation framework. It does not itself make the proposed drilling, trial-mining, funding or offtake arrangements unconditional. Subject to the parties completing due diligence, agreeing definitive terms and satisfying the applicable conditions, the proposed program would proceed in phases as follows:

- Project selection: C&D and ZhongNuo would complete initial site reviews and nominate one project during the 90-day exclusivity period.
- Drilling: ZhongNuo would fund and complete at least 1,500 metres of diamond core drilling across at least three pits under an agreed technical plan. Independent laboratory testing would be undertaken, and C&C Minerals would retain ownership and custody of the cores, samples, data and assays.
- Decision point: the parties would review the drilling and assay results before deciding whether to proceed to trial mining. Any trial mining would require an agreed mining plan acceptable to C&C Minerals.
- Trial mining: if the parties elect to proceed, ZhongNuo would fund and operate trial mining within an agreed Phase 1 area, subject to a maximum of 240,000 tonnes of DSO and the terms of the Definitive Agreement.
- Offtake: C&D would purchase all qualifying DSO delivered during the Phase 1 term. Pricing would be determined under an agreed market-linked formula referencing the Shanghai Metals Market ("SMM") China battery-grade lithium carbonate price. No party would be required to mine, sell or deliver a shipment where the calculated DSO price is below US$150 per dry metric tonne.
- Settlement: delivery would be made to an agreed site in Nigeria. Payment would be made under customary provisional payment and final assay settlement arrangements, with the detailed delivery, title, risk, specifications, quality adjustments and exporter-of-record provisions to be set out in the Definitive Agreement.

Parties and Proposed Roles

C&D

C&D (Hainan) Co., Ltd is a wholly owned subsidiary of Xiamen C&D Inc. (SSE: 600153). Xiamen C&D Inc. reported 2025 operating revenue of RMB671.27 billion and total assets of RMB733.12 billion and conducts supply-chain business across more than 170 countries and regions. Its energy and chemical operations report annual lithium-battery raw-material volumes of nearly 1.9 million tonnes and relationships with nearly 100 lithium-battery and photovoltaic manufacturers.

Under the proposed Phase 1 structure, C&D would act as the DSO offtake buyer and US dollar payer and would contribute lithium-market, pricing, trade-execution and risk-management capability. The contractual counterparty would be C&D (Hainan) Co., Ltd. Neither Xiamen C&D Inc. nor its ultimate parent is a party to, or guarantor of obligations under, the Term Sheet unless separately agreed and disclosed.

ZhongNuo

ZhongNuo would fund and operate the drilling program and any agreed trial mining, arrange logistics to the agreed delivery location, and coordinate independent weighing, sampling and testing. ZhongNuo has represented that it has Nigerian operating experience, equipment, personnel, logistics and access to existing processing infrastructure through commercial relationships. The nature and availability of those arrangements, including access rights and capacity, remain subject to verification and definitive documentation. Any infrastructure provider is not a party to the Term Sheet unless separately documented.

Chariot, C&C Minerals and Continental

C&C Minerals is the joint venture vehicle for the Nigerian portfolio and is owned 66.667% by Chariot and 33.333% by Continental. Subject to completion of the Nigerian Portfolio Acquisition and confirmation of the relevant mineral titles, C&C Minerals would provide the selected project rights required for Phase 1. Continental is a Nigerian entity and is expected to support engagement with relevant authorities and host communities and assist with local licences, permits and approvals. The parties' rights and obligations remain subject to definitive documentation.

Proposed Commercial Structure

If the Definitive Agreement is executed, Chariot proposes to establish a special-purpose vehicle (“STM Co.”) owned 66.667% by Chariot and 33.333% by Continental. STM Co. would hold the relevant short-term mining and marketing rights, sell qualifying DSO to C&D and receive the sale proceeds.

For Phase 1, net DSO sale proceeds after applicable taxes, levies, royalties and sale-related costs incurred by STM Co. would be allocated proportionally between STM Co. and ZhongNuo, with the larger share payable to ZhongNuo to reflect its proposed funding and operation of the drilling and trial-mining program. The final allocation will be settled as part of the Definitive Agreement. This allocation would apply only to Phase 1 unless the parties separately agree otherwise.

On execution of the Definitive Agreement, C&D would provide Chariot with a US$500,000 interest-free prepayment to be amortised against future DSO invoices. The Definitive Agreement would document the prepayment crediting and repayment mechanics.

Any subsequent phase would be subject to separately negotiated definitive agreements. The Term Sheet provides C&D and ZhongNuo with a joint right of first refusal over potential subsequent phases at the selected project and permits C&D, in specified circumstances, to proceed without ZhongNuo or with nominated partners. Those rights do not create a funding obligation unless expressly agreed in writing.

Transaction Status and Conditions

The Term Sheet is binding only in relation to exclusivity, the site-review and project-selection process, non-circumvention, confidentiality, compliance, term, termination and governing law. The substantive drilling, trial-mining, funding and offtake arrangements would take effect only following execution of the Definitive Agreement and satisfaction or waiver of its conditions precedent.

Material conditions are expected to include satisfactory technical, legal and commercial due diligence; completion of the Nigerian portfolio acquisition ("Nigerian Portfolio Acquisition") announced on 10 July 2025; confirmation of Chariot's and C&C Minerals' rights to the selected project and the relevant mineral titles; evidence that the selected project has sufficient technical and commercial merit to justify proceeding; verification of the operating and infrastructure arrangements represented by ZhongNuo; and receipt of all required corporate, regulatory and governmental approvals.

The 240,000-tonne cap is not an estimate of Mineral Resources or Ore Reserves, a production target or a forecast. There is no minimum mining, delivery or purchase obligation and no assurance that the Definitive Agreement will be executed, the conditions will be satisfied or the proposed program will proceed.

Management Commentary

Commenting for C&D, Albert Fu, Managing Director of Australia C&D Corporation Pty Ltd, said:

> *"C&D views the Term Sheet as a disciplined first step in evaluating a potential Nigerian lithium supply opportunity. We look forward to working with the parties to complete the site review and the necessary technical, legal and commercial diligence. Subject to satisfactory results, execution of definitive agreements and all required approvals, the proposed structure could provide a transparent, market-linked offtake pathway for qualifying DSO. We believe this phased approach is appropriate for evaluating a potential long-term supply-chain relationship."*

Commenting for Continental Lithium Limited, Lanre Afebuameh, President & Vice Chairman said:

> *"Continental has deep relationships with Nigerian government authorities and host communities. We will put these relationships to work alongside Chariot, C&D and ZhongNuo to drive the proposed transaction through the required engagement and approvals, and to build a transparent partnership that delivers lasting benefits for Nigeria."*

Commenting on the Term Sheet, Chariot's Executive Chair and Managing Director, Shanthar Pathmanathan, said:

> *"The Term Sheet provides a structured pathway to evaluate one project from our Nigerian portfolio with proposed partner funding for drilling and potential trial mining, together with a market-linked offtake pathway through C&D. The phased structure is important: the parties must first complete site reviews, diligence and drilling, and the commercial program would proceed only if definitive*

agreements are executed and all conditions are satisfied. If progressed, Phase 1 could generate valuable technical and operating data while testing a potential route to market for qualifying DSO."

Next Steps

- Complete site reviews and select one project during the exclusivity period;
- Complete technical, legal and commercial due diligence, including verification of mineral titles and operating arrangements;
- Negotiate the Definitive Agreement, including DSO specifications, pricing period, quality adjustments, payment mechanics, delivery arrangements, title and risk, and approvals;
- Complete the Nigerian Portfolio Acquisition and establish the proposed STM Co. structure and relevant rights; and
- If the conditions are satisfied and the parties elect to proceed, commence the drilling program and report material exploration results in accordance with the ASX Listing Rules and the JORC Code.

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

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CHARIOT RESOURCES Ltd

Important Notice

Statements in this announcement are made only as of the date of this announcement unless otherwise stated. This announcement may contain forecasts, estimates, assumptions and other forward-looking statements. Although Chariot believes that its expectations, estimates and projected outcomes are based on reasonable assumptions, it gives no assurance that they will be achieved. Actual events and results may differ materially due to risks, uncertainties and circumstances beyond the Company's control.

To the maximum extent permitted by law, Chariot and its related parties accept no liability for any loss arising from reliance on this announcement, except to the extent liability cannot lawfully be excluded. Investors should not place undue reliance on forward-looking statements and should consider the risks described in Chariot's public disclosures.

Cautionary Statement

The proposed transaction is subject to the execution of definitive agreements and the satisfaction of conditions precedent. While the parties have entered into a binding term sheet covering certain provisions, there can be no assurance that definitive agreements will be executed or that the conditions precedent will be satisfied.

No Mineral Resource or Ore Reserve has been estimated for the Fonlo, Iganna or Saki project areas. The proposed drilling program and any subsequent trial-mining activities are intended to evaluate the occurrence, continuity, grade, mining characteristics and commercial potential of any mineralisation identified.

The proposed Phase 1 trial-mining program is subject to the results of exploration activities, regulatory approvals, agreement of a mining plan and execution of definitive agreements. There is no certainty that the drilling program will identify mineralisation suitable for trial mining, that trial mining will occur, or that any direct shipping ore will be produced or sold.

References in this announcement to potential DSO sales, revenue sharing arrangements, payment terms and marketing arrangements describe the proposed non-binding commercial terms of the Term Sheet only and should not be construed as a forecast of production, sales revenue, financial performance or economic viability. Investors are cautioned not to place undue reliance on these forward-looking statements.

Appendix: Key Commercial Terms

The following table summarises the principal terms contemplated by the Term Sheet.

Structure	ZhongNuo would fund and operate preliminary drilling and, if the parties elect to proceed, a DSO trial-mining program at the selected project. C&D would purchase qualifying DSO delivered under the Phase 1 offtake arrangements. STM Co. would hold the relevant marketing rights, receive sale proceeds and allocate net proceeds under the agreed Phase 1 split.
Project selection	One project would be selected by C&D and ZhongNuo from Fonlo, Iganna and Saki following initial site reviews and during the 90-day exclusivity period.
Drilling	A minimum 1,500 metres of diamond core drilling across at least three pits, funded and operated by ZhongNuo under an agreed technical plan. Independent laboratory testing would be undertaken at ZhongNuo's cost. C&C Minerals would retain ownership and custody of the cores, samples, data and assays.
Trial mining	Subject to satisfactory drilling results, execution of the Definitive Agreement and the parties agreeing to proceed, ZhongNuo would fund and conduct trial mining under an agreed mining plan. Phase 1 trial mining would be capped at a maximum of 240,000 tonnes of DSO and would end no later than 24 months after execution of the Definitive Agreement. The cap is not a production target or forecast.
Offtake	C&D would purchase all qualifying DSO delivered during the Phase 1 term. There is no minimum mining, delivery or purchase commitment.
Pricing and settlement	The DSO price would be determined under an agreed formula linked to the SMM China battery-grade lithium carbonate price and converted at an agreed USD/CNY rate. A shipment calculated below US$150 per dry metric tonne need not be mined, sold or delivered unless agreed otherwise. Settlement would use customary provisional payment and final assay reconciliation arrangements.
Exclusivity fee and prepayment	C&D has paid Chariot a refundable US$100,000 exclusivity fee. The Term Sheet provides for the fee to be refunded in specified circumstances or converted into a refundable performance deposit. On execution of the Definitive Agreement, C&D would provide a US$500,000 interest-free prepayment to be amortised against future DSO invoices, with detailed crediting and repayment mechanics to be documented.
Delivery, title and risk	Delivery would occur at an agreed location in Nigeria. The Definitive Agreement would specify delivery evidence, weighing and sampling, product specifications, quality adjustments, title and risk transfer, exporter-of-record responsibilities and the allocation of post-delivery costs.

Subsequent phases	Any subsequent phase would require a separately negotiated definitive agreement. C&D and ZhongNuo would hold a joint right of first refusal over potential subsequent phases at the selected project. In specified circumstances, C&D could proceed without ZhongNuo or with nominated partners. Participation is a right, not an obligation, and creates no funding commitment unless expressly agreed in writing.
Conditions precedent	Expected conditions include satisfactory due diligence; execution of the Definitive Agreement; completion of the Nigerian Portfolio Acquisition; confirmation of Chariot's and C&C Minerals' rights to the selected project and relevant mineral titles; sufficient technical and commercial merit; verification of operating and infrastructure arrangements; and receipt of all required approvals.
Binding provisions	The Term Sheet is binding only in relation to exclusivity, site review and selection, non-circumvention, confidentiality, compliance, term, termination and governing law. The drilling, trial-mining, funding and offtake terms would take effect only upon execution of the Definitive Agreement and satisfaction or waiver of applicable conditions. Chariot gives no assurance that this will occur.

About Chariot

Chariot Resources Limited is a mineral exploration company focused on discovering and developing high-grade and near-surface lithium opportunities in Nigeria and in the United States. In addition to the announced acquisition of a Nigerian lithium portfolio, which has not yet completed, Chariot holds two core projects in the United States.

Chariot's core U.S. projects comprise the Black Mountain Project, prospective for hard-rock lithium in Wyoming, and the Resurgent Project, prospective for claystone lithium in Nevada and Oregon.

The proposed Nigerian hard-rock lithium portfolio consists of four project clusters - Fonlo, Gbugbu, Iganna and Saki - in Oyo and Kwara states, covering approximately 257.1 square kilometres and comprising eight exploration licences and three small-scale mining leases. The portfolio has a history of artisanal lithium mining.

Chariot also holds interests in hard-rock lithium exploration pipeline projects in Wyoming and in other claystone-hosted lithium properties in Nevada through its interest in Mustang Lithium LLC.