Cleansing of Convertible Bonds

Notice Under Section 708A(12C)(e) of the *Corporations Act 2001* (Cth)

Sigma Lithium Corporation (ARBN 700 090 302) (NASDAQ: SGML) (ASX: SAU) (TSX-V: SGML) (**Sigma** or the **Company**) refers to its announcement on 2 November 2026, where it announced its offering of US$125,000,000 at 7.0 per cent. Senior Unsecured Convertible Bonds due 2031 (**Convertible Bonds**) convertible into CHESS Depositary Interests (**CDIs**) over fully paid class A common shares of the Company (**Shares**)[1] that will be quoted on the Australian Securities Exchange (**ASX**) (**Offer**).

This cleansing notice (**Cleansing Notice**) is given by Sigma under section 708A(12C)(e) of the *Corporations Act 2001* (Cth) (**Corporations Act**) (as notionally inserted by *ASIC Corporations (Sale Offers: Securities Issued on Conversion of Convertible Notes) Instrument 2026/96* (**ASIC Instrument 2026/96**), and modified by *ASIC Corporations (Offers of CHESS Depository Interests) Instrument 2025/180* (**ASIC Instrument 2025/180**) and ASIC Instrument 26-0846).

Where applicable, references in this Cleansing Notice to the Corporations Act are to those sections inserted by ASIC Instrument 2026/96, and modified by ASIC Instrument 2025/180 and ASIC Instrument 26-0846.

The Company confirms that:

- the Convertible Bonds will be issued without disclosure to investors under Part 6D.2 of the Corporations Act; and
- this Cleansing Notice has been given in accordance with section 708A(12C)(e) of the Corporations Act.

The issue of this Cleansing Notice enables the CDIs issued upon the conversion of the Convertible Bonds to be on-sold without further disclosure. This Cleansing Notice is important and should be read in its entirety. Neither ASIC nor ASX takes any responsibility for the contents of this Cleansing Notice.

This Cleansing Notice does not constitute an offer of any Convertible Bonds for issue or sale, or an invitation to subscribe for or purchase any Convertible Bonds, and is not intended to be used in connection with any such offer or invitation. No offer or invitation is made pursuant to this Cleansing Notice for any person to subscribe for or apply to acquire any other securities issued by Sigma, including Shares or CDIs.

1. Overview

On 2 November 2026, the Company announced the launch of its Offer to raise up to US$125,000,000 via the issue of Convertible Bonds.

A summary of the rights, liabilities, privileges and restrictions attaching to the Convertible Bonds is included in Section 4 of this Cleansing Notice. The summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of the Convertible Bonds.

2. Contents of this Cleansing Notice

This Cleansing Notice sets out the following information:

[1] The CDI:Share ratio is 1:1.

(a) the effect of the Offer on the Company;

(b) a summary of the rights and liabilities attaching to the Convertible Bonds;

(c) a summary of the rights and liabilities attaching to the CDIs that will be issued on the conversion of the Convertible Bonds (and the Shares over which they will be issued); and

(d) any information that:

(i) has been excluded from disclosure under the disclosure obligations contained in:

(A) Rule 5250(b)(1) of the Nasdaq Listing Rules and its applicable SEC disclosure obligations as a foreign private issuer as in force on 9 October 2026; and

(B) Policy 3.3 of the TSXV Corporate Finance Manual and applicable Canadian securities law as in force on 9 October 2026; and

(ii) is information that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:

(A) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and

(B) the rights and liabilities attaching to the Convertible Bonds; and

(C) the rights and liabilities attaching to the CDIs that will be issued on the conversion of the Convertible Bonds (and the Shares over which they will be issued).

3. The effect of the Offer on the Company

3.1 Effect of the Offer on the Company

The principal effect of the Offer of the Convertible Bonds on the Company will be:

(a) to increase the Company's cash reserves by up to US$125,000,000 (before costs associated with the Offer). Following the application of the gross proceeds of the Offer to refinance the Company's existing US$97,300,000 export prepayment agreement, the net increase in the Company's cash reserves is expected to be approximately US$27,700,000 (before costs associated with the Offer);

(b) to increase the number of Convertible Bonds on issue from nil to Convertible Bonds with an aggregate principal amount of US$125,000,000;

(c) to increase the Company's indebtedness by an amount equal to US$125,000,000, plus all accrued and unpaid interest; and

(d) if the Convertible Bonds are all converted into CDIs at the initial conversion price of US$6.51 (**Conversion Price**), this will result in an increase in the number of CDIs on issue of 19,201,228 CDIs (over 19,201,228 Shares) which will dilute existing holders of Shares and CDIs who did not participate in the Offer.

3.2 Effect of the Offer on the Company's capital structure

The effect of the Offer of the Convertible Bonds and the conversion of the Convertible Bonds on the Company's issued Share capital will depend on what portion (if any) of the Convertible Bonds are converted to CDIs at any one time.

The effect of the Convertible Bonds on the Company's capital structure is as follows:

Class	As at the date of this Cleansing Notice	Assuming conversion of all the Convertible Bonds[2] [3] (at the initial Conversion Price of US$6.51)
Shares (including CDIs)	112,690,313	131,891,541
Stock Options	128,125	128,125
Restricted stock units	477,318	477,318
Other options, warrants, convertibles	Nil	Nil
Convertible Bonds	US$125,000,000 in aggregate principal amount	Nil

4. Rights and liabilities attaching to the Convertible Bonds

The following is a broad summary of the rights, liabilities, privileges and restrictions attaching to the Convertible Bonds. The summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of the holders of Convertible Bonds.

Issuer	Sigma Lithium Corporation
Convertible Bonds	US$125,000,000 at 7.0 per cent. Senior Unsecured Convertible Bonds due 2031
Settlement Date	16 November 2026
Ranking	The Convertible Bonds constitute direct, unconditional, unsubordinated and (subject to the negative pledge in Condition 2) unsecured obligations of the Company ranking *pari passu* and rateably, without any preference among themselves. The payment obligations of the Company under the Convertible Bonds rank equally with all its other existing and future unsecured and unsubordinated obligations, save for such obligations that may be preferred by provisions of law that are mandatory and of general application.
Maturity	16 November 2031 (**Maturity Date**). Unless previously redeemed, converted or purchased and cancelled, the Convertible Bonds will be redeemed at their principal amount on the Maturity Date.
Interest	The Convertible Bonds bear interest on and from the Closing Date at the rate of 7.0 per cent. per annum, payable quarterly in arrear in equal instalments on 16 February, 16 May, 16

[2] The number of CDIs that may be issued on conversion of the Convertible Bonds has been calculated by dividing the aggregate principal amount of the Convertible Bonds (US$125,000,000) by the initial Conversion Price of US$6.51 per Share and multiplying by the CDI ratio of 1:1, rounded down to the nearest whole number.

[3] Interest is payable on the Convertible Bonds at 7.0 per cent. per annum, quarterly in arrears on 16 February, 16 May, 16 August and 16 November in each year, commencing on 16 February 2027. Refer to Section 4 for a summary of the terms and conditions of the Convertible Bonds.

	August and 16 November in each year, commencing on 16 February 2027.
Conversion Rights	Subject to the Conditions, each Convertible Bond entitles the holder to convert it into CDIs at any time on or after the day falling 12 months after the Closing Date up to the date falling five Sydney business days prior to the Maturity Date (or, if the Convertible Bonds are called for redemption by the Company prior to the Maturity Date, not later than the 5th Sydney business day before the date fixed for redemption) (**Conversion Period**). Holders may exercise their Conversion Rights before the Conversion Period Commencement Date following a Relevant Event or an Event of Default, subject to certain certifications. The Company must also, before the Conversion Period starts, take the steps required to allow holders to elect to receive Shares listed on Nasdaq instead of CDIs. Holders will receive CDIs instead if the Shares cannot be delivered free of transfer restrictions and the election was made on a conditional basis. The initial Conversion Price is US$6.51 per Share. The initial Conversion Price is subject to adjustment in accordance with the Conditions.
Redemption at the Option of the Issuer	The Company may, on giving not less than 30 nor more than 60 days' notice, redeem all (but not some only) of the Convertible Bonds at their principal amount together with accrued but unpaid interest if, at any time prior to the date the notice is given, conversion rights have been exercised and/or purchases (and corresponding cancellations) and/or redemptions effected in respect of 85 per cent. or more in principal amount of the Convertible Bonds originally issued.
Redemption for a Relevant Event	Following the occurrence of a Relevant Event, being a Change of Control or a Delisting, each holder may require the Company to redeem all or some only of its Convertible Bonds at their principal amount together with accrued but unpaid interest. The holder must deposit a redemption notice within 60 days of the event (or, if later, of notice of it being given), and redemption occurs on the 14th day after that period. However, while a Delisting Put – Restriction Event is continuing, a holder may deposit a notice at any time up to the end of the Conversion Period. If the Share price on that date is at or above the Conversion Price, the holder receives the higher of principal and the Delisting Default Redemption Amount, plus accrued interest., or in certain circumstances following a CDI Delisting or a Nasdaq Delisting, at the Delisting Default Redemption Amount, together with accrued but unpaid interest. The Company must give notice of the event within 14 days of becoming aware of it.
Redemption for Taxation Reasons	The Company may, on giving not less than 30 nor more than 60 days' notice, redeem all (but not some only) of the Convertible Bonds at their principal amount together with accrued but unpaid interest to but excluding such Tax

	Redemption Date, if the Issuer satisfies the Trustee immediately prior to the giving of such notice that: (i) the Issuer has or will become obliged to pay additional amounts in respect of payments on the Bonds (or under the Trust Deed, as the case may be) as a result of any change in, or amendment to, the taxation laws or regulations of Canada or any political subdivision or any authority thereof or therein having power to tax, or any change in the general application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after 2 November 2026; and (ii) such obligation cannot be avoided by the Issuer after taking reasonable measures available to it, provided that no such Tax Redemption Notice shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Bonds then due. If the Issuer gives a Tax Redemption Notice, each Bondholder will have the right to elect that such Bondholder's Bond(s) shall not be redeemed.
Redemption at the Option of Bondholders	The Issuer will, at the option of the holder of any Bond, redeem all or some only of such holder's Bonds on 16 November 2029 (the "**Put Option Date**") at their principal amount together with accrued but unpaid interest to but excluding the Put Option Date. To exercise such option, the holder must deposit at the specified office of any Paying Agent a duly completed and signed put notice in the form for the time being current, obtainable from the specified office of any Paying Agent (the "**Optional Put Exercise Notice**"), together with the Certificate representing the Bonds to be redeemed not more than 90 calendar days and not less than 30 calendar days prior to the Put Option Date. An Optional Put Exercise Notice, once delivered, shall be irrevocable and may not be withdrawn without the Issuer's consent and the Issuer shall redeem the Bonds the subject of an Optional Put Exercise Notice on the Put Option Date.
Trustee, Principal Paying and Conversion Agent, Registrar	China Construction Bank (Asia) Corporation Limited (中國建設銀行(亞洲)股份有限公司)
Selling Restrictions	There are restrictions on offers and sales of the Bonds, *inter alia*, in Australia, Canada, the United Kingdom, the European Economic Area, Hong Kong, Singapore, Japan, Switzerland, Brazil and New Zealand
Use of Proceeds	The Company intends to use the net proceeds of the Offer to refinance its existing US$97.30 million export prepayment agreement maturing in June 2027.

5. Rights and liabilities attaching to CDIs issued on conversion of the Convertible Bonds

On conversion of the Convertible Bonds, holders will be issued **CDIs** that are quoted on ASX.

Sigma was incorporated under the federal laws of Canada and is continued in accordance with the laws of the Province of Ontario. The requirements of applicable securities laws that registered shareholders have the right to receive a stock certificate do not permit the CHESS system (being ASX's system of electronic transfer and settlement) of holding uncertificated securities. Accordingly, to trade the Company's securities on ASX, they must be in the form of CDIs. CDIs are electronic depositary interests or receipts and are units of beneficial ownership in underlying Shares registered on the Canadian register of shareholders in the name of CHESS Depositary Nominees Pty Ltd (ABN 75 071 346 506) (AFSL 254514) (**CDN**). CDN is a wholly owned subsidiary of ASX.

The following is a broad summary of the rights, liabilities, privileges and restrictions attaching to the CDIs. The summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of the holders of CDIs.

Nature of CDIs	A CDI is a unit of beneficial ownership in a share (or beneficial interest in a share) or option of a foreign company, where the underlying share, interest or option is registered in the name of a depositary nominee (in this case CDN), for the purpose of enabling the foreign share, interest or option to be traded on the ASX.
Specific features of a CDI	The main difference between holding CDIs and Shares is that the holder of CDIs has beneficial ownership of the underlying Shares instead of legal title. Legal title to the underlying Shares is held by CDN on the Canadian register of shareholders for the benefit of the CDI holder. Each CDI will represent one underlying Share. CDI holders have the same economic benefits of holding the underlying Shares as holders of Shares. CDI holders are able to transfer and settle transactions electronically on ASX. With the exception of voting rights, the CDI holders are entitled to equivalent rights and entitlements as if they were the legal owners of Shares. CDI holders will receive notices of general meetings of shareholders. Refer to Section 6 for a summary of the rights and liabilities attaching to Shares.
Voting rights	CDI holders cannot vote personally at shareholder meetings. The CDI holder must convert their CDIs into certificated Shares prior to the relevant meeting in order to vote in person at the meeting. As CDI holders are not the legal owners of underlying Shares, CDN, which holds legal title to the Shares underlying the CDIs, is entitled to vote at shareholder meetings of the Company on the instruction of the CDI holders. The ASX Settlement Operating Rules require the Company to give notices of general meetings of shareholders to CDI holders. Each notice of meeting must include a form permitting the CDI holder to direct CDN how to vote on a particular

	resolution, in accordance with the CDI holder's written directions. CDN is then obliged under the ASX Settlement Operating Rules to lodge proxy votes in accordance with the directions of CDI holders.
Dividend rights	The ASX Settlement Operating Rules require that all economic benefits, such as dividends, bonus issues, or other distributions flow through to CDI holders as if they were the legal owners of the underlying securities. As each CDI will represent one underlying Share, in the event the Company pays a dividend or undertakes a distribution, CDI holders will receive the same benefit as if they were holding Shares.
Identity and role of CDN	The Shares underlying the CDIs issued on conversion of the Convertible Bonds will be registered on the Canadian register of shareholders in the name of CDN, a wholly owned subsidiary of ASX. Legal title to the underlying Shares is held by CDN for the benefit of the CDI holder. CDN receives no fees from investors for acting as the depositary nominee in respect of CDIs.
Corporate actions	The ASX Settlement Operating Rules require that all economic benefits, such as dividends, bonus issues, rights issues or similar corporate actions flow through to CDI holders as if they were the legal owners of the underlying securities. However, in some cases, marginal difference may exist between the resulting entitlements of CDI holders and the entitlements they would have accrued if they held Shares directly. This is because, for the purposes of certain corporate actions, CDN's holding of Shares is, for Canadian legal reasons, treated as a single holding, rather than as a number of smaller separate holdings corresponding to the individual interests of CDI holders (thus, for example, CDI holders will not benefit to the same extent from the rounding up of fractional entitlements as if they held Shares directly).
Takeovers	If a takeover bid or similar transaction is made in relation to the Shares of which CDN is the registered holder, the ASX Settlement Operating Rules require that CDN must not accept the offer made under the takeover bid except to the extent that acceptance is authorised by the relevant CDI holder. In these circumstances, CDN must ensure that the offeror, pursuant to the takeover bid, processes the takeover acceptance.
Converting between CDIs and Shares	CDI holders may at any time[4] convert their holding of CDIs (tradeable on ASX) into Shares held on the Canadian register of shareholders by: • in the case of CDIs held through the issuer sponsored sub-register, contacting Computershare Australia (the Company's Australian share registry) directly to obtain the

[4] Subject to applicable Canadian and U.S. securities laws and any applicable resale or transfer restrictions.

	applicable 'CDI Cancellation Australian to Canadian Register' request form for completion and return it to the Company's Australian share registry (see www.computershare.com/au); or • in the case of CDIs held on the CHESS sub-register, contacting their controlling participant (generally a stockbroker), who will liaise with the Australian share registry to obtain and complete the request form. Upon receipt of a request form, the relevant number of CDIs will be cancelled and Shares will be transferred from CDN into the name of the CDI holder and a registered uncertificated book-entry position created or share certificate issued. This will cause the CDI holder's Shares to be registered on the Canadian register of shareholders and trading will no longer be possible on ASX. The Canadian Share Registry will not charge an individual security holder or the Company a fee for converting CDI holdings into Shares (although a fee will be payable by market participants). It is expected that this process will be completed within 24 hours, provided that the Company's Australian share registry has received a duly completed and valid form. No guarantee can be given regarding the actual timing for the conversion to take place. A holder of Shares may also convert their Shares to CDIs by contacting their Canadian stockbroker (or applicable controlling participant) or the Canadian share registry where applicable. In this case, the Shares will be transferred from the shareholder's name into the name of CDN and a CDI holding statement will be issued to the person who converted their Shares to CDIs in respect of the CDIs that have been issued. The Canadian share registry will not charge an individual security holder a fee for seeking to convert the Shares, however, a cross-border transaction fee may be charged to the CDI holder by any intermediaries (ie stockbroker or custodian) involved. The CDIs will then be tradeable on ASX.

6. Rights and liabilities attaching to Shares

The Shares underlying the CDIs issued on conversion of the Convertible Bonds in accordance with the Conditions will rank equally in all respects with all of the Company's existing Shares.

The rights and liabilities attaching to the Shares are governed by the Articles of Continuance of the Company (**Articles**), the By-Laws of the Company as may be amended from time to time (noting the references in this Cleansing Notice to the By-Laws are to the by-laws as adopted by the Company on 9 July 2024) (**By-Laws**), and the Business Corporations Act (Ontario) (**OBCA**).

A summary of the significant rights, liabilities and obligations attaching to the Shares and a description of other material provisions of the Articles and By-Laws, as well as certain Company shareholder rights under the OBCA, are described below. This summary is not exhaustive and does not constitute a definitive statement of all the rights and liabilities of shareholders and is qualified by the terms of the Articles, By-Laws and the OBCA.

If you would like a copy of the Articles or By-Laws, this is available by contacting the Company via email at ir@sigmalithium.com.br. You should consult with your own legal adviser if you require further information.

For the avoidance of doubt, unless a reference is made to a beneficial owner of a Share (which would also include a CDI holder) the below summary relates to the rights of a directly registered holder of Shares in the Company only.

Set out below is a summary of the rights and liabilities attaching to the Shares.

Voting	For every meeting of shareholders, Sigma shall prepare a list of shareholders (**Shareholder List**) entitled to receive notice of the meeting, showing the number of Shares held by each shareholder entitled to vote at the meeting. If Sigma fixes a record date for the meeting as prescribed by applicable laws, the Shareholders listed shall be those registered at the close of business on such record date, and if no record date is fixed, the shareholders listed shall be those registered at the close of business on the day immediately preceding the day on which notice of the meeting is given, or where no such notice is given, the day on which the meeting is held. At any meeting of shareholders for which Sigma has prepared a Shareholder List, every person who is named in such list shall be entitled to vote the Shares shown next to their name. As detailed in Section 5, holders of CDIs can attend but cannot vote in person at a general meeting, and must instead direct CDN how to vote in advance of the meeting. Any notice of meeting issued to CDI holders will include a form permitting the holder to direct CDN to cast proxy votes in accordance with the CDI Holder's written instructions. If, pursuant to applicable Canadian securities laws and/or the policies of the TSXV, a notice of meeting contains a voting exclusion statement which excludes certain named persons (or class of persons) and their associates from voting on a particular resolution, any votes cast on that resolution by the named person (or class of persons) excluded from voting or an associate of that person or those persons must be disregarded from the final vote total.
Meetings	Unless consented to via unanimous shareholder written resolution, an annual general meeting of shareholders is required to be held by Sigma no later than 15 months after the previous annual general meeting of shareholders. The OBCA and the By-Laws require that notice of a meeting of shareholders for public companies must be provided not less than 21 days in advance of the meeting and no more than 60 days before the date of the meeting. However, Sigma as a Canadian reporting issuer is also subject to the meeting requirement under National Instrument 54-101 – Communications with Beneficial Owners of Securities of a Reporting Issuer (**NI 54-101**), which provides that the record date for determining the registered shareholders entitled to receive notice of the meeting may not be less than 30 days and no more than 60 days prior to the date for the meeting, subject to certain exceptions. In addition, as a

	'reporting issuer' under NI 54-101, Sigma is required, subject to certain exemptions, to notify certain intermediaries of a meeting at least 25 days prior to the record date. Under the OBCA, Sigma is only required to give notice to registered shareholders entitled to vote at the meeting as well as its directors. Under applicable Canadian securities laws, Sigma is also required to give notice to certain beneficial shareholders and intermediaries holding the Shares on behalf of beneficial shareholders. As detailed in Section 5, CDI holders may only exercise their vote by directing CDN accordingly. In addition, under the OBCA, a shareholder(s) holding in the aggregate at least 5% of the outstanding Shares has the right to requisition a meeting of shareholders for the purpose of transacting any business as stated in the requisition. The OBCA details the directors' obligations and timing requirements with respect to a requisitioned meeting.
Shareholder rights to bring a resolution before a meeting	A shareholder proposal (**Proposal**) is a document detailing a matter that the submitting shareholder wishes to have considered at the next shareholders meeting of Sigma. Under the OBCA, notice of a Proposal may be submitted by both registered and beneficial shareholders who are entitled to vote at a shareholders' meeting. Such entitled shareholder may not submit a notice of Proposal if within two years of the date of signing the Proposal, the person failed to present, in person or by proxy, at an annual general meeting, an earlier Proposal of which they were the submitter and in response to which Sigma had complied with the technical requirements for Proposals under the OBCA. Notice of the Proposal must be submitted no less than 60 days before either: (i) the anniversary date of the last annual meeting, if the matter is proposed to be raised at an annual meeting, or (ii) the date of a meeting other than the annual meeting, if the matter is proposed to be raised at a meeting other than the annual meeting. If a Proposal has been submitted in accordance with the OBCA, Sigma would be required to set out the text of the Proposal in its management proxy circular (and, if requested by the person submitting the Proposal, include or attach in its management proxy circular a statement by the shareholder in support of the Proposal along with the shareholder's name and address). The OBCA provides for exemptions from the requirements to include a Proposal in Sigma's management proxy circular in certain circumstances, including where: • the notice of the proposal is not submitted in accordance with the OBCA, including applicable timelines thereunder; • it clearly appears that the primary purpose of the Proposal is to enforce a personal claim or redress a personal grievance against Sigma or its directors, officers or security holders;

	• it clearly appears that the proposal does not relate in a significant way to the business or affairs of the corporation; or • the following has occurred: o substantially the same proposal was submitted to shareholders of Sigma in a management information circular, dissident's information circular, or notice of a meeting relating to a previous meeting of shareholders; o that previous meeting was held within five years, or such other period as may be prescribed before the receipt by Sigma of the person's current notice of proposal; and o at that previous meeting, the proposal did not receive the minimum amount of support required under the OBCA.
Dividends	Pursuant to the By-Laws and OBCA, the Board may from time to time declare and authorise payment of such dividends as they may deem advisable, and the Board may determine the date for payment of such dividends, manner of payment of the dividend and the record date for determining the shareholders entitled thereto. Subject to the rights of the holders of shares with special rights as to dividends (currently there are no such special rights), any dividend paid by Sigma shall be allocated among shareholders entitled thereto in proportion to their respective holdings of the Shares in respect of which such dividend is being paid.
Transfer of Shares	Pursuant to the By-Laws and subject to any resale or transfer restrictions attached under applicable securities laws, Shares may be transferred by a written instrument of transfer which complies with the By-Laws and applicable securities law. The Board must not refuse to register a transfer of CDIs when required by the ASX Listing Rules or ASX Settlement Operating Rules.
Issue of further Shares	The OBCA requires Shares to be issued without nominal or par value. Pursuant to the Articles, Sigma is authorised to issue an unlimited number of Shares. Shares issued by a company governed by the OBCA are non-assessable and must be fully paid in money or in property or past service that is no less in value than the fair equivalent of the money that Sigma would have received if the Shares had been issued for money. As a TSXV-listed company, issuances of securities by Sigma require prior approval from the TSXV. The TSXV may impose conditions on a transaction or grant a waiver from its own requirements. Acceptance of the issuance of securities by the TSXV is determined in accordance with the policies of the TSXV and applicable Canadian securities laws.

	The TSXV will generally require securityholder approval prior to the issuance of Shares or securities of Sigma in connection with an acquisition or asset purchase for: • any transaction which results in the creation of a new Control Person (defined below); • any transaction where the number of securities issued or issuable to non-arm's length parties as a group as payment of the purchase price for an acquisition, exceeds 10% of the number of outstanding securities of Sigma on a non-diluted basis; and • the sale of more than 50% of Sigma's assets, business or undertaking. The TSXV defines **"Control Person"** as any person that holds or is one of a combination of persons that holds a sufficient number of any of the securities of a company so as to affect materially the control of that company, or that holds more than 20% of the outstanding voting shares of a company except where there is evidence showing that the holder of those securities does not materially affect the control of the company. For distributions of listed securities in reliance on a prospectus exemption (known as private placements), the TSXV will require securityholder approval if the transaction results in the creation of a new Control Person or if the issuance of securities pursuant to the private placement constitutes a Related Party Transaction (as such term is defined under TSXV policies). The TSXV may also require securityholder approval for a private placement that appears to be undertaken as a defensive tactic to a takeover bid.
Voluntary dissolution	Pursuant to the OBCA, Sigma may apply to be dissolved if it is authorised to do so by a special resolution passed by the shareholders. Pursuant to the OBCA, Sigma may liquidate if it has been authorised to do so by a special resolution passed by the shareholders. Concurrently at such meeting, Sigma must appoint a qualified liquidator for the dissolution. If Sigma is wound up, liquidated or dissolved, then, subject to applicable law and the rights of the holders of shares with special rights upon winding up, none of which presently exist, the assets of the Company legally available for distribution among the shareholders, after payment of all debts and other liabilities of Sigma, shall be distributed to the shareholders in proportion to their respective holdings of the shares in respect of which such distribution is being made.
Variation of rights	At present, Sigma's only class of shares is Shares without par value. Pursuant to the OBCA, the holders of shares of a class or series, unless the Articles provide otherwise (which they currently do not), are entitled to vote separately as a class upon a proposal to amend the Articles to:

	• increase or decrease any maximum number of authorised shares of such class or series, or increase any maximum number of authorised shares of a class or series having rights or privileges equal or superior to the shares of such class or series; • effect an exchange, reclassification or cancellation of the shares of such class or series; • add to, remove or change the rights, privileges, restrictions or conditions attached to the shares of such class or series and, without limiting the generality of the foregoing: o remove or change prejudicially rights to accrued dividends or rights to cumulative dividends; o add, remove or change prejudicially redemption rights or sinking fund provisions; o reduce or remove a dividend preference or a liquidation preference; or o add, remove or change prejudicially conversion privileges, options, voting, transfer or pre-emptive rights, or rights to acquire securities of a corporation; • add to the rights or privileges of any class or series of shares having rights or privileges equal or superior to the shares of such class or series; • create a new class or series of shares equal or superior to the shares of such class or series, except in certain cases prescribed by the OBCA; • make a class or series of shares having rights or privileges inferior to the shares of such class or series equal or superior to the shares of such class or series; • effect an exchange or create a right of exchange of the shares of another class or series into the shares of such class or series; or • add, remove or change restrictions on the issue, transfer or ownership of the shares of such class or series. The right to vote on such a proposal applies whether or not shares of a class or series otherwise carry the right to vote. Such a proposal to amend the Articles is adopted when the shareholders have approved the amendment by a special resolution of the holders of the shares of each class or series entitled to vote thereon.

Directors' appointment and removal	Each of the Directors shall be elected at each annual general meeting of shareholders and shall serve in office until the close of the next annual general meeting, unless they vacate their office earlier. Each Director qualified to act as a Director under the OBCA, is eligible to be re-elected at that meeting. A Director may be removed from office by an ordinary resolution passed by the shareholders at an annual or special meeting and the vacancy created by such removal may be filled at the same meeting, failing which it may be filled by a quorum of the directors.
Directors' fees and remuneration	Under the By-Laws, the remuneration of the Directors and officers of Sigma will be determined from time to time by the Board. Nothing in the By-Laws precludes any Director or officer of Sigma from serving Sigma in any other capacity and receiving remuneration therefor. Under applicable Canadian securities laws, a report on executive compensation is required to be included in the management proxy circular mailed to Sigma's shareholders in connection with Sigma's annual meeting each year. The By-Laws also provide that Directors shall be entitled to be reimbursed for travelling and other expenses properly incurred by them in connection with the affairs of Sigma.
Indemnities	Pursuant to the By-laws and subject to the limitations contained in the OBCA, Sigma shall indemnify a Director or officer, a former director or officer, or a person who acts or acted at Sigma's request as a director or officer of a body corporate of which Sigma is or was a shareholder or creditor, and his heirs and legal representatives, against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by them in respect of any civil, criminal or administrative action or proceeding to which they are made a party by reason of being or having been a director or officer of Sigma or such body corporate, if: • they acted honestly and in good faith with a view to the best interest of Sigma; and • in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, they had reasonable grounds for believing their conduct was lawful. In addition, Sigma may indemnify such person in such other circumstances as permitted by the OBCA.
Alteration to Articles and By-Laws	Sigma's charter documents consist of: (i) the Articles, which set out the name and registered address of Sigma, the amount, type, and rights of authorised share capital, and the authorised number of directors; and (ii) the By-Laws, which govern the management of Sigma. The Articles are filed with the Ontario Business Registry and the By-Laws are filed with the Company's registered office. Subject to the OBCA, the By-Laws regulate the business and affairs of Sigma and provide for matters including the issuance of shares, the calling of, and voting at, shareholders' and Directors'

	meetings and the quorum requirements for such meetings, elections to the Board and appointment of officers, the payment of dividends, the borrowing powers and restrictions on Sigma, filling of vacancies, notices, types and duties of officers, the appointment of committees and other routine conduct. The required authorisation to amend the Articles or the By-Laws under the OBCA will be specified in either the OBCA or the By-Laws based on the type of resolution. In certain instances, including amendments to the By-Laws, the OBCA or the By-Laws may provide for approval solely by a resolution of the directors or by ordinary resolution of the shareholders. If the type of resolution is not specified in the OBCA or the By-Laws, most amendments will require a special resolution of the shareholders to be approved by not less than two-thirds of the votes cast by the shareholders voting on the resolution.

7. Risk Factors

Please refer to Appendix A for risks relating to Sigma and the Convertible Bonds.

8. Continuous and periodic disclosure obligations

8.1 Continuous disclosure

Sigma is admitted to the official list of ASX as a 'Foreign Exempt Listing', meaning it is not subject to section 674 of the Corporations Act and is exempt from complying with the continuous disclosure provisions in the ASX Listing Rules. Therefore, Sigma is not a 'disclosing entity' (as defined in section 111AC of the Corporations Act) for the purposes of this Cleansing Notice.

However, Sigma is subject to substantially equivalent continuous disclosure obligations under the TSXV Corporate Finance Manual and applicable Canadian securities law, and the Nasdaq Listing Rules. Under applicable Canadian securities law and the TSXV Corporate Finance Manual, it is required to immediately disclose via a news release that is to be filed on SEDAR+, all material information concerning its business or affairs, which is information that results in, or would reasonably be expected to result in, a significant change in the market price or value of Sigma's listed securities, forthwith upon the information becoming known to management, or in the case of information previously known, forthwith upon it becoming apparent that the information is material. Sigma is also subject to its applicable SEC disclosure obligations as a foreign private issuer, and Nasdaq Rule 5250(b)(1) separately requires prompt public disclosure of material information that would reasonably be expected to affect the value of its securities or influence investors' decisions.

Under ASX Listing Rule 1.15.2, Sigma is required to file concurrently on the ASX market announcements platform all information it provides to TSXV and Nasdaq (including via news release) that is, or is to be, made public.

Sigma has received relief from ASIC in the form of ASIC Instrument 26-0846 permitting it to issue this Cleansing Notice under section 708A(12C)(e) of the Corporations Act (as notionally inserted by ASIC Instrument 2026/96, and modified by ASIC Instrument 2025/180 and ASIC Instrument 26-0846). Refer to Section 10 below for further details on ASIC Instrument 26-0846.

This Cleansing Notice is a 'cleansing notice' under section 708A(12C)(e) of the Corporations Act to which the special content rules under section 708A(12D) of the Corporations Act apply (each as notionally inserted by ASIC Instrument 2026/96 and modified by ASIC Instrument 2025/180 and ASIC Instrument 26-0846).

As modified, this provision allows sale offers of securities issued on conversion of convertible notes to be made within 12 months of their issue without disclosure under Part 6D.2 of the Corporations Act, provided that a cleansing notice is given to the ASX in relation to the convertible notes on the same day as, or within 2 business days before, the first day on which the convertible notes are issued.

In general terms a 'cleansing notice' under section 708A(12C)(e) of the Corporations Act is only required to contain information in relation to the effect of the offer of new securities on the issuing company and the rights attaching to the new securities. It is not necessary to include general information in relation to all of the assets and liabilities, the financial position, profits and losses or prospects of the issuing company.

This Cleansing Notice is intended to be read in conjunction with the publicly available information in relation to Sigma (including information which has been notified to ASX under ASX Listing Rule 1.15.2) and does not include all of the information that would be included in a prospectus for an initial public offering of Sigma's securities in Australia. Investors should therefore have regard to the publicly available information in relation to Sigma before making a decision whether or not to invest.

Sigma states that it:

(a) is subject to:

  (i) the regulatory reporting and disclosure obligations under the Nasdaq Listing Rules;

  (ii) the regulatory reporting and disclosure obligations under the TSXV Corporate Finance Manual; and

  (iii) section 601CK of the Corporations Act.

(b) copies of documents lodged with ASIC in relation to Sigma may be obtained from, or inspected at, an ASIC office; and

(c) will provide a copy of each of the following documents, free of charge, to any person on request:

  (i) the most recent balance sheet and other documents lodged with ASIC under section 601CK of the Corporations Act; and

  (ii) any notices given by the Company in accordance with its obligations under rule 1.15.2 of the listing rules of ASX, as in force on 9 October 2026, after the lodgement of the most recent balance sheet and other documents lodged with ASIC under section 601CK of the Corporations Act.

8.2 Recent disclosure

Sigma has lodged the following announcements with ASX since the lodgement of its most recent balance sheet and financial statements and other documents with ASIC under section 601CK of the Corporations Act (relating to the financial year ended on 31 December 2025).

Date	Announcement
16 Nov 2026	3Q26 Results

10 Nov 2026	3Q26 Earnings Results Date and Conference Call Details
6 Nov 2026	ASX announcement: Statement of CDIs on issue
3 Nov 2026	ASX announcement: Sigma Lithium Prices Upsized 125 Million Convertible Bonds
3 Nov 2026	ASX announcement: US$100m Convertible Bonds to Refinance Secured Debt
3 Nov 2026	ASX announcement: Previews 3Q26 Results- 9,000T Produced Since Restart
26 Oct 2026	ASX announcement: US$100M Debt Extended to June 2027
9 Oct 2026	ASIC filing: Notice of Declaration re Fundraising Chapter 6D (7113)
7 Oct 2026	ASX announcement: Statement of CDIs on issue
7 Oct 2026	ASX announcement about operations resuming after legal win, 2027 Guidance Maintained
7 Oct 2026	ASIC filing: Disclosure Notice – ASX Alteration to Issued Capital (06007)
7 Oct 2026	ASIC filing: Disclosure Notice – ASX Progress Report (11001)
2 Oct 2026	ASX announcement about operations temporarily being paused – 2027 Guidance Maintained
2 Oct 2026	ASIC filing: Disclosure Notice – ASX Progress Report (11001)
28 Sep 2026	ASX announcement relating to Cleantech Pioneer at UN Climate Week
28 Sep 2026	ASIC filing: Disclosure Notice – ASX Company Administration – Other (12008)
17 Sep 2026	ASX announcement about being selected by Nasdaq to ring closing bell in NY Climate Week
17 Sep 2026	ASIC filing: Disclosure Notice – ASX Company Administration – Other (12008)
8 Sep 2026	ASX announcement confirming operations remain unaffected by Preliminary Judicial Ruling
8 Sep 2026	ASIC filing: Disclosure Notice – Ex Australian Stock Exchange (7053A)
3 Sep 2026	Pre-quotation disclosure statement

9. Information excluded from continuous disclosure notices

As at the date of this Cleansing Notice, having taken such precautions and having made such enquiries as are reasonable, the Company advises that, other than as set out in this Cleansing Notice, there is no information that:

(a) has been excluded from disclosure under:

(i) the disclosure obligations contained in Rule 5250(b)(1) of the Nasdaq Listing Rules and its applicable SEC disclosure obligations as a foreign private issuer as in force on 9 October 2026; and

(ii) the disclosure obligations contained in Policy 3.3 of the TSXV Corporate Finance Manual and applicable Canadian securities law as in force on 9 October 2026; and

(b) is information that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:

(i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and

(ii) the rights and liabilities of the Convertible Bonds; and

(iii) the rights and liabilities attaching to the CDIs that will be issued on the conversion of the Convertible Bonds (and the Shares over which they will be issued).

10. ASIC Relief

10.1 ASIC Corporations (Offers of CHESS Depository Interests) Instrument 2025/180

Pursuant to ASIC Instrument 2025/180, ASIC has given relief for offers for the issue or sale of CDIs, where the underlying foreign securities are quoted on ASX and are held by CDN as the depositary nominee. The purpose of the relief is to remove any uncertainty about how offers of CDIs over underlying foreign securities are regulated under the Corporations Act, ensuring offers of CDIs are regulated as an offer of securities under the disclosure provisions of Chapter 6D of the Corporations Act.

10.2 ASIC Instrument 26-0846

On 9 October 2026, ASIC provided a declaration:

(a) modifying sections 708AA and 708A of the Corporations Act (as modified by *ASIC Corporations (Offers of CHESS Depository Interests) Instrument 2025/180*), such that Sigma may issue a cleansing notice under section 708AA(2)(f) in relation to a rights issue or section 708A(5)(e) (for the on-sale of securities issued without disclosure, such as under a placement) of the Corporations Act where the following requirements are met :

(i) in relation to a sale offer, the relevant securities are in a class of securities that were quoted on Nasdaq and TSXV at all times in the 3 months before the day on which the relevant securities were issued;

(ii) trading in that class of securities on ASX, Nasdaq and TSXV was not suspended for more than a total of 5 days during the shorter of the period during which the class of securities were quoted on Nasdaq and TSXV (as applicable) and the period of 12 months before the day on which the relevant securities were issued;

(iii) the cleansing notice states that, as at the date of the notice, Sigma has complied with:

(A) section 601CK of the Corporations Act;

(B) the disclosure obligations contained in Rule 5250(b)(1) of the Nasdaq Listing Rules and its applicable SEC disclosure obligations as a foreign private issuer, as in force on 9 October 2026;

(C) the disclosure obligations contained in Policy 3.3 of the TSXV Corporate Finance Manual and applicable Canadian securities law, as in force on 9 October 2026; and

(D) its obligations under ASX Listing Rule 1.15.2, as in force on 9 October 2026; and

(iv) excluded information for the purposes of the cleansing notice is information that has been excluded from disclosure under the disclosure obligations contained in:

(A) Rule 5250(b)(1) of the Nasdaq Listing Rules and its applicable SEC disclosure obligations as a foreign private issuer, as in force on 9 October 2026; and

(B) Policy 3.3 of the TSXV Corporate Finance Manual, and, in relation to a sale offer, applicable Canadian securities law, as in force on 9 October 2026; and

(b) modifying subsections 708A(12C) and (12E) of the Corporations Act (as modified by *ASIC Corporations (Offers of CHESS Depository Interests) Instrument 2025/180* and notionally inserted by *ASIC Corporations (Sale Offers: Securities Issued on Conversion of Convertible Notes) Instrument 2026/96*), such that Sigma may issue a cleansing notice under section 708A(12C)(e) of the Corporations Act in relation to convertible notes, so that securities issued on conversion of those convertible notes may be on-sold without disclosure under Part 6D.2 of the Corporations Act, where:

(i) on the day on which the cleansing notice is given, securities in the same class as the relevant securities were quoted on Nasdaq and TSXV;

(ii) trading in securities in the class of relevant securities on ASX, Nasdaq and TSXV was not suspended for more than a total of 5 days during the shorter of the period during which the class of relevant securities were quoted on Nasdaq and TSXV (as applicable) and the period of 12 months before the first day on which the convertible notes were issued;

(iii) following the giving of the cleansing notice, the information required by section 708A(12E) is included in each financial report of Sigma required under the financial reporting laws of the kind set out in Chapter 2M applicable in its place of origin that it gives to ASX under ASX Listing Rule 1.15.2, as in force on 9 October 2026, for each financial year during which the convertible notes are on issue (in place of each financial report or directors' report required under section 298 of the Corporations Act); and those financial reports include any other matters relating to the convertible notes that holders of securities of Sigma that are quoted on Nasdaq and TSXV (rather than holders of ED securities) would reasonably require to make an informed assessment of the financial position of Sigma and its prospects for future financial years;

(iv) the content requirements of section 713 of the Corporations Act that apply to the cleansing notice are modified such that, for securities in the class of relevant securities, the cleansing notice must:

(A) state that Sigma is subject to the regulatory reporting and disclosure obligations under the Nasdaq Listing Rules and the TSXV Corporate Finance Manual, and is subject to section 601CK of the Corporations Act;

(B) inform people of their right to obtain a copy of:

(aa) the most recent balance sheet and other documents lodged with ASIC under section 601CK; and

(bb) any notices given by Sigma under ASX Listing Rule 1.15.2, as in force on 9 October 2026, after that lodgement; and

(C) set out any information that investors and their professional advisers would reasonably require and that has been excluded from disclosure under:

(aa) the disclosure obligations contained in Rule 5250(b)(1) of the Nasdaq Listing Rules and its applicable SEC disclosure obligations as a foreign private issuer as in force on 9 October 2026; and

(bb) the disclosure obligations contained in Policy 3.3 of the TSXV Corporate Finance Manual and applicable Canadian securities law, in each case as in force on 9 October 2026; and

(c) modifying section 713 of the Corporations Act (as modified by ASIC Corporations (Offers of CHESS Depository Interests) Instrument 2025/180 and notionally modified by ASIC Corporations (Offers of Convertibles) Instrument 2026/97), such that Sigma may issue a transaction specific prospectus for, amongst other things, an offer of convertible or converting notes or convertible or converting preference shares that are convertible into, or may convert into, a class of securities that are quoted on Nasdaq and TSXV, where:

(i) Sigma is subject to the regulatory reporting and disclosure obligations under the Nasdaq Listing Rules and the TSXV Corporate Finance Manual, and is subject to section 601CK of the Corporations Act;

(ii) Sigma informs people of their right to obtain a copy of:

(A) the most recent balance sheet and other documents lodged with ASIC under section 601CK; and

(B) any notices given by Sigma in accordance with its obligations under ASX Listing Rule 1.15.2, as in force on 9 October 2026, after that lodgement; and

(iii) the transaction specific prospectus sets out any information that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of the matters referred to in section 713(5) of the Corporations Act and that has been excluded from disclosure under:

(A) the disclosure obligations contained in Rule 5250(b)(1) of the Nasdaq Listing Rules and its applicable SEC disclosure obligations as a foreign private issuer, as in force on 9 October 2026; and

(B) the disclosure obligations contained in Policy 3.3 of the TSXV Corporate Finance Manual and applicable Canadian securities law, as in force on 9 October 2026,

in each case, where Sigma is listed on both Nasdaq and TSXV and is listed on ASX as an ASX foreign exempt listing.

11. Authorisation

This Cleansing Notice has been authorised for release to the ASX by the Board.

Appendix A – Risk Factors

1 Risk Factors

1.1 Introduction

Sigma is subject to a number of significant risks due to the nature of Sigma's business which includes acquisitions, divestitures, financing, exploration, development, construction and operation of mining properties. Before making an investment decision in respect of Convertible Bonds, you should consider the risks and uncertainties described below. The Directors or any person associated with Sigma cannot give assurance that Sigma can control or will successfully address these risks or other unknown risks that may affect Sigma's business. Additional risks or uncertainties not presently known to Sigma or that Sigma considers immaterial may also impair Sigma's business operations.

The Directors recommend that potential investors consider the risks detailed in this Annexure, together with publicly available information about the Company, and consult their professional advisers, before they decide whether or not to apply for Convertible Bonds.

1.2 Risks specific to an investment in Sigma

1.2.1 Mineral Resources and Mineral Reserves are estimates and are subject to uncertainty

The operations of mining properties or mining companies are largely based on geologic, metallurgic, engineering, title, environmental, economic, and financial assessments, which involve uncertainty. Such assessments may differ materially from actual results, which may result in a material adverse effect on Sigma's business, financial condition, results of operations, cash flows or prospects. These assessments include a series of assumptions regarding such factors as the mineralized material body geometries, grades, recoverability, regulatory and environmental restrictions, future prices of lithium and operating costs, future capital expenditures and royalties and government levies which will be imposed over the producing life of the Mineral Reserves.

Sigma's Mineral Resource and Mineral Reserve estimates are estimates only. There are numerous uncertainties inherent in estimating quantities of Mineral Resources and Mineral Reserves and estimates in projecting potential future rates of mineral production, including factors subject to change and beyond Sigma's control. Mineral Reserve and Mineral Resource estimates are based on limited samples and interpretations, which may not be representative of actual Mineral Reserves and Mineral Resources. No assurance can be given that any particular level of recovery of minerals will in fact be realized or that identified Mineral Resources or Mineral Reserves will ever be mined or processed profitably. In addition, the grade of mineralization which may ultimately be mined may differ from that indicated by drilling results and such differences could be material. By their nature, Mineral Resource and Mineral Reserve estimates are imprecise and depend, to a certain extent, on analyses of drilling results and statistical inferences that may ultimately prove to be inaccurate. These estimated Mineral Resources and Mineral Reserves should not be interpreted as assurances of profitability of operations. Investors are cautioned not to place undue reliance on these estimates.

Mineral Resources are not Mineral Reserves and have a greater degree of uncertainty as to their feasibility and prospects for economic extraction. Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. Mineral Resources that are in the Inferred category are even more risky. An Inferred Mineral Resource is that part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An Inferred Mineral Resource has a lower level of confidence than that applying to any other category of Mineral Resource. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration. However, the estimate of Inferred Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.

1.2.2 Future production estimates are based on existing mine plans and other assumptions which change from time to time

From time to time Sigma discloses estimates and projections of future production. The economic analysis is based in part on achieving at least the contemplated minimum operating and production levels and may be subject to change. Any such information is forward-looking and no assurance can be given that such estimates will be achieved. These estimates are based on existing mine operations, its plans and other assumptions which change from time to time. Sigma's actual production may vary from estimates for a variety of reasons, including actual mineralized material mined varying from estimates of grade, tonnage, dilution and metallurgical and other characteristics, revisions to mine plans, unusual or unexpected deposit formations, risks and hazards associated with mining, natural phenomena, such as inclement weather conditions, water availability, floods, and seismic activity and unexpected labor shortages, strikes, local community opposition or blockades, and the suspension of licenses or operations by regulatory or judicial authorities*.*

If any of these events were to occur, this may result in a material adverse effect on Sigma's business, financial condition, results of operations, cash flows or prospects. See also "*Sigma's production has been, and may continue to be, volatile, and Sigma may not achieve its production targets or guidance*" in section 1.2.4.

1.2.3 Uncertainty regarding Sigma's ability to continue as a going concern

Grant Thornton, Sigma's auditor, during its review of Sigma's audited consolidated financial statements for the year ended December 31, 2025 identified, as a critical audit matter in its audit report for that year, the assessment of future cash flows supporting the going concern basis. Grant Thornton has not audited Sigma's interim financial statements for the six months ended June 30, 2026 or any financial information as at or for any period after December 31, 2025.

Sigma intends to apply the net proceeds of the Offer to refinance its existing US$97.30 million export prepayment agreement maturing in June 2027, being the Pre-Export Financing Agreement with Synergy (see "Use of Proceeds"). Sigma expects the completion of the Offer and the use of proceeds as described herein will strengthen its liquidity position and reduce its near-term repayment obligations. However, completion of the Offer will not, by itself, resolve the uncertainty as to Sigma's ability to continue as a going concern, which also depends on factors outside Sigma's control, as described throughout these Risk Factors.

A substantial portion of Sigma's current liabilities comprise export prepayment obligations, including under the Pre-Export Financing Agreement with Synergy (scheduled to mature in June 2027), together with mining fleet lease liabilities and amounts owing to suppliers, a portion of which is in dispute. Sigma's ability to continue as a going concern depends on, among other things, completion of the Offer, the repayment or refinancing of its export prepayment obligations, the stabilization of production at Grota do Cirilo, supporting lithium concentrate price levels and the absence of further suspensions of its operations, among others. If these outcomes are not achieved, Sigma may be unable to meet its obligations as they fall due.

1.2.4 Sigma's production has been, and may continue to be, volatile, and Sigma may not achieve its production targets or guidance

Sigma's production may vary materially from period to period, and from its published guidance, for a range of reasons which may change over time, including: (a) the suspension, revocation or restriction of its licenses, or restrictions on the opening of new mining fronts, by regulatory or judicial authorities; (b) variability in the grade, recovery, dilution and other characteristics of the mineralized material mined compared with Sigma's Mineral Reserve estimates and mine plans; (c) interdictions or restrictions imposed by regulators, or the courts in respect of pits, waste rock piles or other parts of Grota do Cirilo; (d) equipment breakdowns, infrastructure failures or the unavailability of its leased mining fleet; (e) changes to its mine plan, or geotechnical matters; and (f) community opposition or blockades and inclement weather.

Following the resumption of operations, Sigma stated that it expects to scale annualized production of lithium oxide concentrate to 330,000 tonnes by year-end 2027, supported by existing Mine 1 (South Pit) capacity and its Cleantech Industrial Plant, without the need to add

capacity. Sigma's production guidance assumes that production can be sustained from its existing pits without further suspensions, and any further suspension, restriction on mining fronts or delay to the Phase 2 expansion could cause actual production to fall materially short of guidance. Any failure to achieve production guidance, or continued volatility in production, could adversely affect Sigma's revenue and cash flows, its ability to meet its obligations under its export prepayment arrangements, offtake contracts and other indebtedness (including the Convertible Bonds) and its ability to continue as a going concern (see "*Uncertainty regarding Sigma's ability to continue as a going concern*" in section 1.2.3), as well as the market price of the Shares, CDIs and Convertible Bonds.

1.2.5 Sigma may be unable to complete its planned expansion of Grota do Cirilo on schedule, within budget or within scope

Sigma's ability to complete Mine 2 expansion phases depends on, among other things, maintaining the required environmental licenses and other permits, obtaining sufficient financing on acceptable terms, and the availability of contractors, equipment and personnel. If Sigma is unable to obtain or maintain the necessary licenses, raise sufficient financing or resolve these matters, the expansion may be delayed, reduced in scope or reconsidered, and its costs may increase materially. Any such outcome could adversely affect Sigma's growth prospects, business, financial condition and results of operations and the market price of the Shares, CDIs and Convertible Bonds.

1.2.6 Capital and operating cost estimates may vary from actual costs and revenues for reasons outside of Sigma's control

Capital costs, operating costs, production and economic returns and other estimates may differ significantly from those anticipated by current estimates, and there can be no assurance that the actual capital, operating and other costs will not be higher than currently anticipated. Actual costs and revenues may vary from estimates for a variety of reasons, including (among others) lack of availability of resources or necessary equipment, unexpected construction or operating problems, lower realized lithium prices, revisions to construction plans, risks and hazards associated with mineral production, natural phenomena, floods, unexpected labor shortages or strikes, general inflationary pressures, and interest and currency exchange rates.

Additionally, during times of increased demand for metals and minerals, price increases may encourage expanded mining exploration, development, and construction activities. These increased activities may result in escalating demand for and cost of contract exploration, development and construction services and equipment. Increased demand for and cost of services and equipment could cause exploration, development and construction costs to increase materially, resulting in delays if services or equipment cannot be obtained in a timely manner due to inadequate availability, and increased potential for scheduling difficulties and cost increases due to the need to coordinate the availability of services or equipment, any of which could materially increase project exploration, development or construction costs, result in project delays, or increase operating costs, for Sigma.

1.2.7 Mining and exploration risks

Sigma's operations are subject to all the risks normally incidental to the exploration of, and the development and operation of, mineral properties. Mineral exploration and exploitation involve a high degree of risk. Operations can be affected by such factors as permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations, work interruptions, fires, power outages, shutdowns due to equipment breakdown or failure, unexpected maintenance and replacement expenditures, human error, labor disputes, flooding, explosions, releases of hazardous materials, tailings impoundment failures, cave-ins, landslides, earthquakes and the inability to obtain or properly maintain adequate machinery, equipment or labor. Even if the circumstances of the operations or Sigma's development and operational methodologies are significantly different than other companies and projects, tailings dam failures involving other mining companies in Brazil, and the resultant loss of life and damage, have resulted in (and could in the future result in further) increased requirements, delays in licensing and other material consequences to all mining companies. Sigma expects to rely on third-party-owned infrastructure to develop and operate its projects, such as power, utility, and transportation infrastructure. Any failure of this

infrastructure without adequate replacement or alternatives may have a material impact on Sigma.

1.2.8 Risks relating to insurance, including uninsured or uninsurable risks

During exploration, development and production of mineral properties, certain risks (in particular, risks related to operational and environmental incidents) may occur. Insurance may not be available to insure against all such risks, or the costs of such insurance may be uneconomic. Sigma may also elect not to obtain insurance for other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of Sigma. Sigma maintains liability insurance in accordance with industry standards, however, the nature of these types of risks is such that liabilities could exceed policy limits and Sigma could incur significant costs that could have a material adverse effect on its business, results of operations and financial condition. Losses from uninsured and underinsured liabilities have the potential to materially affect Sigma's financial position and prospects.

1.2.9 Title, interest and rights to mineral properties

There can be no assurance Sigma's property mineral tenure interests will be maintained, or that any required future title interests will ultimately be secured. No assurance can be given that applicable governments will not revoke or significantly alter the conditions of the applicable exploration and mining authorizations nor that such exploration and mining authorizations will not be challenged or impugned by third parties. Sigma's property interests may also be subject to prior unregistered agreements or transfers or other land claims, and title may be affected by undetected defects and adverse laws and regulations.

Sigma cannot guarantee that title to its properties or mineral rights will not be challenged. A successful challenge on a mineral right or to the precise area and location of Sigma's mineral claims could result in Sigma being unable to develop and operate its mineral properties or being unable to enforce its rights with respect to its mineral properties. Any of these factors may have a material adverse effect on operations and financial condition of the Company.

1.2.10 Competition risk

The mining industry is competitive in all its phases and requires significant capital, as well as technical and operational resources. Competition is also intense for mining equipment, supplies and qualified service providers, particularly in Brazil where mining personnel are in high demand and short supply. If qualified expertise cannot be sourced at cost-effective rates within Brazil, Sigma may need to procure those services outside of Brazil, which could result in additional delays and higher costs to obtain work permits. Sigma faces strong competition from other mining companies, some with greater financial resources, operational experience and technical capabilities. As a result of this competition, Sigma may be unable to maintain or acquire financing, personnel, technical resources or attractive mining properties on terms it considers acceptable, any of which may have a material adverse effect on operations and financial condition of the Company.

1.2.11 Commodity price risk

Lithium chemicals and spodumene concentrate are globally traded commodities and accordingly, are subject to numerous market forces, including changes in product supply and demand. The addition of new supply due to either competitor investments or Sigma's own capacity could drive market prices for these commodities lower. Softening in the global demand for lithium would have similar implications. Additionally, the pricing characteristics of alternative sources of energy, competitor disruptions and government policy could all have impacts on the market price of lithium and thus Sigma's earnings profile. Prices have proven to be volatile for lithium products and could remain so for the foreseeable future. There can be no assurance that market prices will remain at current levels or that such prices will improve. As such, Sigma's revenues and earnings are subject to change.

1.2.12 The market for electric vehicles and other large format batteries remains an emerging technology in several markets

The success of Sigma and its ability to grow its lithium operations is largely dependent on the adoption of lithium-ion batteries for electric vehicles and other large format batteries. The market for electric vehicles and other large format batteries has grown considerably but continues to have limited market share in a number of geographies. No assurance can be given that it will develop further (or at what rate this market will develop, if at all). To the extent that such markets do not develop in the manner or according to the timeline contemplated by Sigma, the long-term growth in the market for lithium products will be adversely affected, which would inhibit Sigma's ability to expand its operations.

1.2.13 Changes in technology or other developments could result in preferences for substitute products

Lithium and its derivatives are preferred raw materials for certain industrial applications, such as rechargeable batteries. Many materials and technologies are being researched and developed with the goal of making batteries lighter, more efficient, faster charging and less expensive. Some of these technologies could be successful and could adversely affect demand for lithium batteries in personal electronics, electric and hybrid vehicles and other applications. Sigma cannot predict which new technologies may ultimately prove to be commercially viable and on what time horizon. In addition, alternatives to such products may become more economically attractive as global commodity prices shift. Any of these events could adversely affect demand for and market prices of lithium, thereby resulting in a material adverse effect on the economic feasibility of extracting any mineralization Sigma discovers and reducing or eliminating any reserves it identifies.

1.2.14 The imbalance in the lithium market due to an excess of supply from new or existing competitors could adversely affect prices

In recent years, the supply of lithium products has increased as both new and existing competitors have expanded production, which has pressured prices. Further increases in production could intensify this imbalance and negatively impact prices. There is limited information regarding the status of new lithium production capacity expansions by current and potential competitors, which makes it difficult for Sigma to accurately project the capacities of potential new entrants and the timelines for their operations. If these projects are completed in the short term, they could impact market lithium prices, leading to a material adverse effect on Sigma's earnings, reserve balances, or the economic viability of its ongoing growth initiatives.

1.2.15 Sigma is incorporated in Canada

Sigma was incorporated under the laws of Canada and is continued in accordance with the laws of Ontario. Sigma is listed on the TSXV, Nasdaq and ASX. As a result, Sigma will be subject primarily to Canadian corporate governance requirements and securities laws, which may differ from corporate governance requirements and securities laws applicable in an investor's place of residence (including Australia).

The foreign aspects of the organization, management and officers of Sigma may make it more difficult for securityholders to enforce their legal rights than if Sigma were organized, managed and incorporated in Australia. The common law and statutory rights of securityholders under Canadian laws may be less extensive than statutory rights available to securityholders under the laws of Australia.

1.2.16 Risk of dilution

Sigma may issue Shares, CDIs or other securities that convert or exchange into Shares or CDIs from time to time to raise additional capital to finance its continued growth or other future developments. The amount and timing of such additional financing needs will vary depending on the amount of cash generated from the Sigma Group's operations. There is a risk that the issue of additional securities will result in the ownership interest of existing equity holders in Sigma from time to time being diluted.

Further, the exercise of any stock options, share units, other share-based compensation and share purchase warrants and the subsequent resale of such securities in the public market could adversely affect the prevailing market price of those securities and Sigma's ability to raise capital in the future at a time and price which it deems appropriate. Sigma may also enter into commitments in the future which would require the issuance of additional Shares or CDIs or securities that convert or exchange into Shares or CDIs. Any such security issuances will result in either immediate dilution or the risk of future dilution to existing securityholders' percentage interest in Sigma.

1.2.17 Sigma has not paid dividends and may not pay dividends in the foreseeable future

Sigma has not paid dividends since incorporation and does not intend to declare or pay any cash dividends in the foreseeable future. Sigma anticipates that it will retain future earnings and other cash resources for the future operation and development of its business. Payment of any future dividends is solely at the discretion of the Board, which will take into account many factors, including Sigma's operating results, financial condition and anticipated cash needs.

1.2.18 Sigma's financial condition, operations and results of operations are subject to political, economic, social, regulatory and geographic risks of doing business in Brazil

Investments in emerging markets like Brazil generally pose a greater degree of risk than investments in more mature market economies because the economies in the developing world are more susceptible to destabilization resulting from domestic and international developments and expose Sigma to heightened risks related to prevailing and changing political and socioeconomic conditions. Changes in mining, investment or other applicable policies or shifts in political attitude in Brazil may adversely affect Sigma's operations or profitability and may affect Sigma's ability to fund its ongoing expenditures. Regardless of the economic viability of Sigma's properties, such political changes, which are beyond Sigma's control, could have a substantive impact and prevent or restrict (or adversely impact the financial results of) mining of some or all of any deposits of Sigma.

Additionally, Brazil's long-term foreign and local currency debt is rated sub-investment grade. Brazil's ratings or outlooks may be downgraded or placed on watch by the various rating agencies in the future. Downgrades of Brazil's sovereign credit ratings could limit access to funding and/or raise the cost of funding for Sigma. Downgrades of Brazil's sovereign credit ratings could also heighten investors' perception of the risk of having operations in Brazil.

1.2.19 Inflation in Brazil, along with Brazilian governmental measures to combat inflation, may have a significant negative effect on the Brazilian economy and, as a result, on Sigma's financial condition and results of operations

High levels of inflation may adversely affect the economies and financial markets of Brazil, and the ability of its government to create conditions that stimulate or maintain economic growth. Moreover, the governmental measures to curb inflation and speculation about possible future governmental measures have contributed to the negative economic impact of inflation in Brazil and have created general economic uncertainty.

As part of these measures, the Brazilian government has at times maintained a restrictive monetary policy and high interest rates that have limited the availability of credit and economic growth. Brazil may experience high levels of inflation in the future. Inflationary pressures may weaken investor confidence in Brazil and lead to further government intervention in the economy, including interest rate increases, restrictions on tariff adjustments to offset inflation, intervention in foreign exchange markets and actions to adjust or fix currency values, which may trigger or exacerbate increases in inflation, and consequently, have an adverse impact on Sigma. In an inflationary environment, the value of uncollected accounts receivable, as well as unpaid accounts payable, declines rapidly. If Brazil experiences high levels of inflation in the future and price controls are imposed, this could adversely affect Sigma's results of operations or financial condition.

1.2.20 Anti-corruption, anti-bribery, anti-money laundering and economic sanctions risks

Violations of applicable anti-corruption, anti-bribery, anti-money laundering and economic sanctions laws and regulations could materially adversely affect Sigma's business, reputation, results of operations and financial condition. Sigma has not purchased any "political risk" insurance coverage and currently has no plans to do so.

Brazilian markets, in particular, have historically experienced heightened volatility due to the uncertainties generated by corruption and bribery allegations and investigations of certain senior politicians, including congressmen and officers and directors of some of the major state-owned and private companies in Brazil. In addition, certain media posts and reports of corruption, or allegations of corruption, in Brazil may have an adverse effect on the public perception and reputation of Brazilian companies and may adversely affect the trading price of Shares or CDIs. Sigma's value, Share price or CDI price could also be adversely affected by illegal activities by others, corruption or by claims, even if groundless, implicating Sigma in illegal activities.

1.2.21 Corruption and fraud in Brazil relating to ownership of real estate

Corruption and fraud in Brazil relating to ownership of real estate could materially adversely affect Sigma's business, reputation, results of operations and financial condition. Under Brazilian law, real property ownership is normally transferred by means of a transfer deed and subsequently registered at the appropriate real estate registry office under the corresponding real property record. There are uncertainties, corruption and fraud relating to title ownership of real estate in Brazil, mostly in rural areas. In certain cases, a real estate registry office may register deeds with errors, including duplicate and/or fraudulent entries, and, therefore, deed challenges frequently occur, leading to judicial actions. Property disputes over title ownership are frequent in Brazil, and, as a result, there is a risk that errors, fraud, or challenges could adversely affect Sigma's ability to operate, although ownership of mineral rights is separate from ownership of land.

1.2.22 Brazilian mining regulatory frameworks

Government approvals and permits are required in connection with Sigma's activities. If any required approvals have not been obtained, Sigma may be restricted or prohibited from proceeding with planned exploration, development, or operational activities. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions under such laws or regulations, including orders issued by regulatory or judicial authorities causing development or operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or other remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may be liable for civil or criminal fines or penalties imposed for violations of applicable laws or regulations. Amendments to current laws, regulations and permitting requirements, or a more stringent application of existing laws, could have a material adverse impact on Sigma and cause increases in capital expenditures or production costs, reductions in the levels of production at producing properties or require abandonment or delays in development.

In Brazil, the ANM regulates the conduct of exploration, development, and mining operations. The ANM requires: (i) certain fee payments for exploration authorizations (known as the Annual Fee per Hectare), (ii) certain royalty payments to be made to the federal government for the mining concessions (known as Financial Compensation for the Exploitation of Mineral Resources - "CFEM") and (iii) royalty payments to be made to the landowner if the surface rights are not held by the holder of the mineral rights. There is also a monthly inspection fee related to the transfer and commercialization of certain minerals in some Brazilian states. Royalties, taxes and fees related to the exploration authorizations and mining concessions may change or increase substantially in the future.

In Brazil, failure to demonstrate the existence of technically and economically viable mineral deposits covered by an exploration authorization for a period of at least one year may lead to the authorization being required to be returned to the federal government. The federal government may then grant the exploration authorization to other parties that may conduct

other mineral prospecting activities at said area. In addition, mining concessions and exploration authorizations may not be granted due to changes in laws and regulations governing mineral rights. Accordingly, retrocession requirements, loss of mineral rights, or the inability to renew concessions, authorizations, permits and licenses may materially adversely affect Sigma.

Tailings dam failures involving other mining companies in Brazil, and the resultant loss of life and damage, have resulted in (and could in the future result in further) increased requirements, delays in licensing and other material consequences to all mining companies, even if the circumstances of the operations or Sigma's development and operational methodologies are significantly different than such other companies and projects. The regulatory framework applicable to the Brazilian mining industry could be subject to further change, which may result in limitations on Sigma's business and activities, including in connection with some existing mineral rights, and an increase in expenses, particularly mining royalties, taxes and fees. Sigma's operations are also subject to Brazilian regulations pertaining to the use and development of mineral properties and the acquisition or use of rural properties by foreign investors or Brazilian companies under foreign control, and various other Brazilian regulatory frameworks.

1.2.23 Currency fluctuation risks

Business is transacted by Sigma primarily in Brazilian, US and Canadian currencies. The majority of operating costs are denominated in Brazilian real. Certain costs associated with imported equipment and international supplies and consultants and sales prices for product are denominated in US dollars. Fluctuations in exchange rates may have a significant effect on the cash flows of Sigma. Future changes in exchange rates could materially affect Sigma's results in either a positive or negative direction. Sigma has not hedged its exposure to any exchange rate fluctuations applicable to its business and is therefore exposed to currency fluctuation risks.

Currently, the Brazilian real is permitted to float against the US dollar and allows the purchase and sale of foreign currency and the international transfer of the Brazilian real. There can be no assurance that the Brazilian Central Bank or the Brazilian government will continue to permit the Brazilian real to float freely and not intervene in the exchange rate market through the return of a currency band system or otherwise.

1.2.24 Interest rate fluctuation risks

Sigma's business may be adversely affected by fluctuations in interest rates. A significant portion of the capital structure may be subject to variable interest rates, and changes in these rates could increase the borrowing costs of Sigma, potentially reducing profitability. Higher interest rates may also make it more expensive to obtain additional financing or refinance existing debt, which could limit Sigma's ability to fund growth initiatives or meet other capital needs. There can be no assurance that Sigma will be able to manage or mitigate the impact of interest rate fluctuations, and any significant increase in interest rates could adversely affect Sigma's financial condition, results of operations, and cash flow.

1.2.25 Financing and global capital markets risk

Sigma expects to rely on cash generated from operations, external borrowings and access to global capital markets to fund the significant capital expenditure required to finance its capacity expansion projects and ongoing operations.

Sigma's unaudited interim financial statements for the six months ended June 30, 2026 remain subject to the risk factor "*Uncertainty regarding Sigma's ability to continue as a going concern*" outlined in section 1.2.3 above. While Sigma believes that, following completion of the Offer and repayment of the Synergy loan, cash from operations, together with existing borrowing availability and other potential financing strategies, will be sufficient to meet these needs in the foreseeable future, there can be no assurance that adequate funding will be available on acceptable terms, or at all.

Sigma's ability to generate sufficient cash flow from operations may be adversely affected by factors including the young nature of the business and the volatility of lithium prices. To the extent that internally generated cash flow is insufficient, Sigma may need to obtain additional

financing through equity offerings (which may be dilutive to existing securityholders), debt issuances, or other arrangements. Sigma's ability to access capital markets and to secure such financing on favorable terms will depend on a number of factors, many of which are beyond its control, including prevailing conditions in global credit and capital markets, Sigma's credit metrics and financial performance, investor and lender sentiment toward the lithium sector, and the overall macroeconomic environment.

In addition, Sigma's operations require the issuance of financial assurances, such as insurance policies and bank guarantee instruments, to secure statutory, environmental, and commercial obligations. Sigma's ability to obtain and maintain such assurances is similarly dependent on external credit market conditions and its financial position, and there can be no assurance that these instruments will continue to be available on acceptable terms.

If Sigma is unable to generate sufficient cash flow or obtain adequate external financing — whether through capital markets, lending facilities, or financial assurance instruments — on a timely basis and on acceptable terms, Sigma may be required to postpone, reduce, or abandon its growth plans or restrict its operations. Any such outcome could have a material adverse effect on Sigma's business, results of operations, and financial condition.

1.2.26 Counterparty risk

Sigma is exposed to various counterparty risks including, but not limited to, financial institutions that hold Sigma’s cash and short-term investments, companies that are expected to have payables to Sigma, third-party contractors engaged for future development, and Sigma’s insurance providers, lenders and offtakers. The risks associated with doing business with several counterparties, including any defaults or other breaches of any agreements entered into by Sigma with such counterparties, may impact Sigma’s operations and financial condition.

1.2.27 Key raw material supply risk

Sigma may not be able to secure the supply of key raw material. The raw materials required for Sigma’s operations are primarily sourced through normal supply and business contracting channels mainly in Brazil. However, increased demand from other mineral exploration, development and operating companies, inflationary pressures, or disruptions to supply chains caused by such events as pandemics or other global occurrences may make it more difficult to procure certain raw materials.

1.2.28 Quality requirements risk

Sigma may not be able to meet the quality requirements of its customers. Sigma’s ability to maintain and enhance its customer relationships and market position depends on consistently meeting the quality expectations and regulatory requirements of its customers. Failure to meet these standards, whether due to manufacturing defects, supply chain disruptions, human error, or non-compliance with industry regulations, could result in recalls, loss of key customers, reputational damage, and potential legal or financial consequences.

Any inability to adapt to the ongoing demands of its customers or to promptly address quality concerns may affect Sigma’s ability to secure new contracts, retain existing customers, and maintain competitive advantage. Furthermore, customer-imposed penalties or warranty claims related to quality issues could have a material adverse effect on Sigma’s financial performance.

1.2.29 Limitations on transfer of cash between subsidiaries

Any limitation on the transfer of cash or other assets between Sigma and Sigma’s subsidiaries, or among such entities, could restrict Sigma’s ability to fund its operations efficiently or the ability of its subsidiaries to distribute cash otherwise available for distributions. Sigma conducts operations through subsidiaries, including a foreign subsidiary located in Brazil. Accordingly, any limitation on the transfer of cash or other assets between the parent corporation and such entities, or among such entities, could restrict Sigma’s ability to fund its operations efficiently. Any such limitations, or the perception that such limitations may exist now or in the future, could have an adverse impact on Sigma’s valuation and stock price.

1.2.30 Reliance on consultants

Sigma is subject to risks associated with its reliance on consultants and others for mineral exploration and exploitation expertise. Sigma has relied on, and is expected to continue to rely on, consultants and others for mineral exploration and exploitation expertise. If the work conducted by those consultants is ultimately found to be incorrect or inadequate in any material respect, Sigma may experience delays or increased costs in developing its properties.

1.2.31 Debt obligations

Sigma's ability to make scheduled payments on or refinance its debt obligations, including its export prepayment financing, other borrowings and lease liabilities, depends on its financial condition and operating performance. These are subject to prevailing economic and competitive conditions and to financial, business, legislative and regulatory factors beyond Sigma's control, including lithium prices. Sigma may be unable to generate sufficient cash flow to pay amounts due under its indebtedness or maintain compliance with its debt covenants.

If Sigma's cash flows and capital resources are insufficient to fund its debt service obligations, or there is a contravention of its debt covenants, Sigma could face substantial liquidity problems and could be forced to reduce or delay investments and capital expenditures or to dispose of material assets or operations, seek additional debt or equity capital or restructure or refinance its indebtedness. Sigma may not be able to effect any such alternative measures, if necessary, on commercially reasonable terms or at all and, even if successful, those alternative actions may not allow it to meet its scheduled debt service obligations. Sigma's inability to generate sufficient cash flows to satisfy its debt obligations, or to refinance its indebtedness on commercially reasonable terms or at all, would materially and adversely affect its financial position and results of operations and its ability to satisfy its obligations. A substantial portion of Sigma's assets (including its interests in operating assets, rights, licenses, receivables and contracts, and a pledge of 100% of the shares in Sigma Brazil) is subject to security granted under the Pre-Export Financing Agreement with Synergy. An unremedied failure by Sigma Brazil to comply with its obligations under that agreement could lead to foreclosure and the loss of those assets.

1.2.32 Litigation risks

From time to time, Sigma may become involved in litigation, which may have a material adverse effect on its business, financial condition and prospects. Due to the nature of Sigma's business, its current shareholders and status as a publicly traded entity, it may be subject to a variety of regulatory investigations, claims, lawsuits and other proceedings. The results of these legal proceedings cannot be predicted with certainty due to the uncertainty inherent in litigation, including the effects of discovery of new evidence or advancement of new legal theories, the difficulty of predicting decisions of judges and juries and the possibility that decisions may be reversed on appeal. Defense and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Litigation may be costly and time-consuming and can divert the attention of management and key personnel from business operations. It can also have an adverse effect on relationships with counterparties (e.g., banks, offtakers, JV partners, bidders).

Existing litigation, which may have a material adverse effect on Sigma's business, financial condition and prospects, are summarised below. Any adverse determination, injunction or finding in these or related proceedings could restrict Sigma's operational, financial or strategic flexibility.

(a) On August 21, 2026, Sigma entered into a TAC with the State of Minas Gerais related to FEAM's suspension of certain of Sigma Brazil's environmental licenses in respect of Grota do Cirilo, and Sigma's operations were partially suspended. Upon execution of the TAC, Sigma was permitted to fully resume its mining and industrial operations. The TAC does not contain any declaration or assumption of fault or wrongdoing by Sigma with respect to the key claims raised. Under the TAC, Sigma agreed to implement certain adjustments to its environmental procedures (estimated to require capital expenditure of approximately US$1.0 million), including improvements to access roads for two

houses outside its licensed area (without accepting that they were adversely affected by its operations), and to pay fines of up to approximately US$540,000 relating to alleged environmental matters dating from 2013 to 2022.

(b) On May 21, 2026, the Federation of the Quilombolas ‘Ngolo of the State of Minas Gerais filed a civil public action against Sigma (the “‘Ngolo lawsuit”) before the federal court of the city of Teófilo Otoni, located approximately 300km from Grota do Cirilo, requesting a preliminary emergency injunction to suspend and ultimately annul the environmental licenses granted to Sigma to conduct its mining operations in Grota do Cirilo, on the basis of the alleged proximity of Sigma’s operations to territory claimed for recognition as Quilombola land. On September 4, 2026, a federal judge in Teófilo Otoni granted the requested preliminary emergency injunction (i) suspending all of Sigma Brazil’s environmental licenses, which in turn had halted Sigma Brazil’s mining and processing operations in Grota do Cirilo and (ii) temporarily pausing the State of Minas Gerais and FEAM from issuing technical conclusive studies and granting new licenses, including, amending, broadening the scope and correcting existing licenses. On September 14, 2026, Sigma Brazil appealed from such decision seeking to restore the validity of its environmental licenses, and stating that its licenses were previously and validly issued, before any Quilombola territory was recognized, and that its operations are not located and do not impact the claimed territory. On October 1, 2026, the Federal Regional Court of the 6th Region ("TRF-6") granted Sigma’s appeal, reinstating all of its operating licenses, as well as its expansion license (construction and operation) for Barreiro ("Mine 2") on the grounds that those licenses were issued prior to the preliminary identified Quilombola territory. As a result, Sigma resumed operations on October 6, 2026.

The TRF-6 decision is interim and may be reviewed, modified or reversed. The ‘Ngolo lawsuit remains at an early stage. The next step in the proceedings is the evidentiary phase. It shall include the preparation of the court-ordered expert georeferencing report and a decision on the merits. ‘Ngolo retains a right to appeal the TRF-6 decision, favorable to Sigma, and any other adverse decision in the proceedings of the 'Ngolo lawsuit. If the expert report contradicts Sigma’s measurement of the distance between its operations and the outer border of the Quilombola territory, the environmental impacts (noise, dust, vibration) of Sigma’s operations in the Quilombola territory will have to be ascertained by an expert. If the expert ascertains that Sigma’s operations have caused such environmental impacts, Sigma may be required to undertake prior consultation with the affected communities or other remedial or compensatory measures. The Company maintains that it is in compliance with applicable laws, regulations and environmental requirements. However, there can be no assurance that the interim relief granted by the TRF-6 will be maintained, or that further suspensions, fines or other sanctions will not be imposed, and Sigma’s operations may be interrupted again.

(c) As noted above, due to the nature of Sigma’s business, it is subject to a number of legal claims, including: (i) disputes with suppliers in respect of amounts of approximately US$2.0 million recorded as in dispute. The Company maintained the full amount disputed with suppliers within its accounts payable (US$27.9 million, which includes an arbitration commenced by Sigma’s former mining contractor, Fagundes Construção e Mineração S.A.), as disclosed in Sigma’s unaudited interim financial statements for the six months ended June 30, 2026; and (ii) a public civil action brought by the MPMG regarding alleged environmental and social impacts on the community surrounding its operations (the “ACP – MPMG”). The Company has appealed the ACP – MPMG, which includes a daily fine levied on Sigma in September 2026. Sigma is also party to other claims and proceedings arising in the ordinary course of its business,

including labor claims, which it does not currently consider to be material, individually or in the aggregate.

1.2.33 Key personnel retention risks

The success of Sigma will be largely dependent upon the performance of its key officers, consultants, and employees. Failure to retain key individuals or to attract and retain additional key individuals with necessary skills could have a material adverse impact upon Sigma's success. Sigma has an insurance policy in place to cover directors, officers or key employees and regularly monitors the adequacy of such policy.

1.2.34 Labor and employment relations

Sigma's business depends on strong labor and employment relations. These relations may be influenced by changes in labor relations introduced by, among others, employee groups, unions, and the relevant governmental authorities in the jurisdictions where Sigma operates. Adverse changes in employment-related legislation or in the relationship between Sigma, its employees, the employees' union, and the relevant governmental authorities could have a material adverse impact on its business, results of operations, and financial condition.

1.2.35 Infrastructure failure risk

Mining, processing, development, and exploration activities depend, to one degree or another, on adequate infrastructure whether owned or maintained by Sigma, the applicable government or state, or third parties. Reliable transportation routes, ports, power sources, pipelines, ore and waste hoisting equipment, water storage structures, waste impoundments, water supply, and other critical infrastructure are important for Sigma's operations. Unusual or infrequent weather phenomena, sabotage, catastrophic failure, corrosion, or interference from governments or other entities in the operation, maintenance or provision of such infrastructure could adversely affect Sigma's business and results of operations.

In addition, Sigma-controlled infrastructure requires periodic preventative maintenance and, if necessary, replacement to mitigate the risk of failure. Despite inspection programs and maintenance planning, unanticipated infrastructure failures may occur from time to time. Sigma addresses these issues and reports them, where necessary, in accordance with local regulatory requirements and laws. Any such future infrastructure failure could have an adverse effect on Sigma's operations.

1.2.36 Environmental compliance risk

All phases of Sigma's operations are subject to numerous environmental laws and regulations in Brazil on the federal, state and municipal levels, including laws and regulations relating to specially protected areas, air emissions, wastewater discharge and the use, manufacture, handling, transportation, storage, disposal, remediation of waste and hazardous substances. Environmental hazards may exist which are unknown to Sigma at present which may have been caused by previous owners or operators of its assets. In the event of an accident or exposure to hazardous materials, environmental damage may occur and trigger the obligation to remediate the environmental conditions, which may result in significant costs. The victim of such damages or whoever the law so authorizes (such as public attorneys' office, foundations, state agencies, state-owned companies and associations engaged in environmental protection) is not compelled to sue all polluting agents in the same proceeding, but rather the aggrieved party may choose to sue only one of the polluting agents to redress damages.

Environmental liability may be litigated in civil, administrative, and criminal courts, with the application of administrative, civil and criminal sanctions, in addition to the obligation to redress the damages caused. The lack of a conviction or a finding of liability in one proceeding does not necessarily preclude the finding of liability in other proceedings. Accordingly, in respect of environmental compliance matters, there could be unexpected interruptions to operations, fines, or penalties as well as third-party claims for property damage or personal injury or remedial or other costs, which may have a material adverse effect on Sigma's operations.

Municipal, state, and federal governments may revise and impose stricter environmental regulations in the future. There can be no assurance that environmental regulation will not

adversely affect development or operations, with increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors, and employees. The cost of compliance with changes in government regulations has the potential to reduce the profitability of operations.

1.2.37 Climate change risk

Stakeholders may increase demands for emissions reductions and call upon mining companies to better manage their consumption of climate-relevant resources. Physical climate change events, and the trend toward more stringent regulations aimed at reducing the effects of climate change, could impact Sigma's decisions to pursue future opportunities, or maintain existing operations, which could have an adverse effect on its business and operations. Sigma can provide no assurance that efforts to mitigate the risks of climate changes will be effective and that the physical risks of climate change will not have an adverse effect on its operations and profitability.

1.2.38 Government orders and health and safety matters

The mineral exploration, development and production business carries inherent risk of liability related to worker and surrounding population health and safety, including the risk of government-imposed orders to remedy unsafe conditions, potential penalties for contravention of health and safety laws, licenses, permits and other approvals, and potential civil liability. Compliance with health and safety laws (and any future changes) and the requirements of licenses, permits and other approvals remain material to Sigma's business, and will continue to remain material at all stages of development. Sigma may become subject to government orders, investigations, inquiries or other proceedings (including civil claims) relating to health and safety matters. The occurrence of any of these events or any changes, additions to or more rigorous enforcement of health and safety laws, licenses, permits or other approvals could have a significant impact on development or operations of the Company and result in additional material expenditures.

No assurances can be given that additional workers' health and safety issues relating to presently known or unknown matters will not require unanticipated expenditures, or result in fines, penalties or other consequences (including changes to operations) material to Sigma's business and operations.

In December 2025, the Brazilian Ministry of Labor and Employment initiated an administrative proceeding regarding the stability of Sigma's rock piles at Grota do Cirilo. Shortly thereafter, ANM issued an official expert report with the geotechnical validation of the stability of Sigma's rock piles. Sigma is challenging in Higher Federal Courts, in Brasília, the jurisdictional legitimacy of the Ministry of Labor and Employment to issue technical rulings regarding geotechnical matters.

Sigma maintains that it is in compliance with applicable laws, regulations and health and safety requirements.

In October 2026, ANM issued an interdiction in respect of a specific area of one of the pits at Grota do Cirilo that has been depleted and as such, is no longer mined by the Company (North Pit). Therefore, such interdiction does not affect Sigma's operations as a whole.

1.2.39 Community relations

Sigma's relationships with host communities are critical to ensure the success of its existing operations and the construction and development of new operations. Globally, there is an increasing level of public concern relating to the perceived effects of mining activities on the environment and on host communities due to events that happened with other companies in the recent past. Alleged inconvenience or perceived adverse socio-environmental impacts, grievances or complaints that are not adequately addressed, or disagreements regarding commitments or actions involving communities or organized social movements may occur in the course of Sigma's activities, all of which are common in the mining business.

The evolving expectations related to human rights, the rights of indigenous people and traditional communities, and environmental protection may result in opposition to Sigma's current and future operations. Such opposition may be directed through legal or administrative proceedings or expressed in public opposition such as protests, roadblocks, land occupations, interference with access to Sigma's facilities or other disruptions to Sigma's operations, or other forms of expression against Sigma's activities, and may have a negative impact on Sigma's reputation and operations.

There can be no assurance that Sigma's efforts to operate in a socially responsible manner will mitigate this potential risk.

Opposition by any of the aforementioned groups to Sigma's operations may require modification of, or preclude the operation or development of, Sigma's projects or may require Sigma to enter into agreements with such groups or local governments with respect to Sigma's projects, in some cases causing increased cost and considerable delays to the advancement of Sigma's projects. Failures or delays in negotiations and engagement with other stakeholders, including in connection with obtaining or maintaining necessary licenses and authorizations, building and maintaining trust-based relationships with local communities, addressing grievances and complaints, as well as difficulties in effectively managing such processes and issues, could disrupt Sigma's operations or delay, increase the cost of, or adversely affect the development and implementation of its projects. Further, publicity adverse to Sigma, its operations or extractive industries generally could have an adverse effect on Sigma and may impact relationships with the communities in which Sigma operates and other stakeholders.

Sigma's business may also be impacted by relations with various community stakeholders, and Sigma's ability to develop and operate its mining assets may still be affected by unforeseen outcomes from such community relations, which could adversely impact Sigma's business, operations, financial condition and reputation.

1.2.40 Actions by foreign governments regarding critical minerals may affect Sigma's business

As a result of increased concerns around global supply chains, the lithium industry has become subject to increasing political involvement. This reflects the critical role of lithium as an input in the development of batteries for the burgeoning transition to electric vehicles in the automotive industry, combined with worldwide supply constraints for lithium production and geopolitical tensions between countries such as the United States and Canada on the one hand and China on the other, arising from the dominant role of China in the production of inputs for the battery industry. The resulting political involvement appears to be evolving into a form of industrial policy by several governments, including those of Canada and the U.S., in which they employ steps to encourage the development of domestic supply such as tax incentives and low-interest loans to domestic and other companies, as well as undertake steps to discourage the involvement of companies from certain countries, including the expansion of legal oversight and an expansion of the scope of discretionary authority under laws and regulations to impose restrictions on ownership, influence and investment.

These factors are of relevance to Sigma in Canada with its regulation under the OBCA and stock exchange listing on the TSXV, and in the U.S. through its stock exchange listing on the NASDAQ. Sigma is also connected to Canada by way of its board composition. This evolving industrial policy is resulting in benefits to Sigma as a result of its connection to Canada and the U.S., including the prospect of tax incentives. However, Sigma may also have to manage the more restrictive aspects of this increased government involvement, including the New Investment Canada Act Policy, which may result in limitations on the extent to which Sigma will be able to undertake business operations with certain parties and limitations on ownership and influence of certain parties in its business. Most recently, the Government of Canada has made certain divestiture orders relating to foreign investments, both within and outside of Canada, by state-owned enterprises in Canadian lithium companies. Sigma has complied, and intends to continue to comply fully, with legislation and policies in all jurisdictions where it operates.

At this time, Sigma does not believe that any of these steps will result in a substantive adverse change to its business or operations, but does expect that over time they may potentially constrain its ability to undertake business opportunities with actors from certain countries.

1.2.41 Sigma's operations depend on authorizations, licenses and permits that are subject to various risks and uncertainties including, but not limited, to suspensions, revocations and challenges

Sigma's existing operations and the development of its projects and operations depend on obtaining and maintaining various licenses, concessions, authorizations and permits from various governmental authorities and other authorities in the countries in which Sigma operates. Such concessions, authorizations, licenses and permits may be subject to fixed expiration dates, periodic review, renewal requirements, conditions or other limitations, and there can be no assurance that Sigma will be able to obtain or renew them when required, on a timely basis or on terms acceptable to Sigma, or that governmental authorities will not impose additional or more burdensome conditions in connection with their issuance, maintenance or renewal. Changes in applicable laws, regulations or regulatory requirements, including those relating to environmental matters, mining rights, biodiversity, indigenous people and traditional communities, may require Sigma to modify its operations or development plans, incur additional costs or capital expenditures, or limit or modify its mining plans, production volumes or reserves and resources. Sigma is also exposed to political risk in its relationship with governmental and regulatory authorities that issue these authorizations, concessions and licenses. In addition, such licenses, concessions, authorizations and permits have been and may be subject to challenges and disputes. Applicable governmental authorities may revoke or refuse to issue, amend or renew necessary permits. The loss of such permits, the requirements of such permits, third-party challenges to such permits, delays in the permitting process or the inability to obtain such permits may hinder or delay Sigma's ability to operate and could have a material effect on Sigma's financial performance and results of operations. There can be no guarantee that Sigma will be able to obtain or maintain or comply with all necessary licenses and permits that may be required to explore and develop its projects.

1.2.42 Tax change risks

Sigma may be subject to tax changes, which can have a material adverse effect on profitability. The introduction of new tax laws, regulations or rules, or changes to, or differing interpretation of, or application of, existing tax laws, regulations or rules in Canada, the United States, Brazil, or any of the countries in which Sigma's operations or business is or will be located, could result in an increase in taxes, or other governmental charges, duties or impositions, ceasing of Sigma's current tax incentives and deductions, an unreasonable delay in the refund of certain taxes owing to Sigma or the application of unfavorable currency controls on the repatriation of profits.

No assurance can be given that new tax or foreign exchange laws, rules or regulations will not be enacted or that existing such laws, rules or regulations will not be changed, interpreted or applied in a manner that could result in Sigma's profits being subject to additional taxation, result in Sigma not recovering certain taxes on a timely basis, result in certain taxes not being refunded at reasonably equivalent value as at the time paid, or restrict the manner in and efficiency with which Sigma manages its cash balances, or at all, or that could otherwise have a material adverse effect on Sigma.

1.3 Risks relating to an investment in the Convertible Bonds

The following risk factors relate to an investment in the Bonds and in the CDIs or Shares to be delivered on exercise of Conversion Rights. They should be read together with the risks relating to Sigma and its business described in "*Risks specific to an investment in Sigma*" in section 1.2 and the general risks described in "*General risks*" in section 1.4. In this section 1.3, references to the "Issuer" are to Sigma Lithium Corporation (referred to elsewhere in this Annexure as "Sigma"), references to the "Conditions" are to the terms and conditions of the Bonds, and capitalized terms used but not defined in this Annexure have the meanings given to them in the Term Sheet or, if not defined in the Term Sheet, in the Conditions.

1.3.1 The Bonds may not be a suitable investment for all investors

Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

(a) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained in public disclosure of the Issuer;

(b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact such investment will have on its overall investment portfolio;

(c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where the currency for payments under the Bonds, or the currency in which the CDIs trade, is different from the potential Investor's Currency (as defined in "*Exchange rate risks and exchange controls may affect an investor's returns on the Bonds and on the CDIs*" in section 1.3.22);

(d) understand thoroughly the Conditions (including the mechanics for the settlement of Conversion Rights in CDIs or, following the Additional Conversion Venue Effective Date and where a Common Share Election is made, in Shares) and be familiar with the behavior of any relevant indices and financial markets, including the markets for the Shares on Nasdaq Capital Markets and the TSX Venture Exchange and for the CDIs on the ASX; and

(e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate, exchange rate and other factors that may affect its investment and its ability to bear the applicable risks.

A potential investor should not invest in the Bonds, which are complex financial instruments, unless it has the expertise (either alone or with the help of a financial adviser) to evaluate how the Bonds will perform under changing conditions, the resulting effects on the value of the Bonds and the impact this investment will have on the potential investor's overall investment portfolio.

In addition, the investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) it is legally permitted to invest in the Bonds and to hold the CDIs deliverable on conversion, (ii) the Bonds can be used as collateral for various types of borrowing, and (iii) other restrictions apply to its purchase or pledge of any Bonds. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Bonds under any applicable risk-based capital or similar rules.

1.3.2 The Issuer will follow the disclosure standards applicable to debt securities listed on the Vienna MTF, which may differ from those applicable in other jurisdictions, and there is no assurance that the listing of the Bonds will be obtained or maintained

Application will be made for the listing of the Bonds on the Vienna MTF operated by the Vienna Stock Exchange (Wiener Börse AG) (the "**Vienna Stock Exchange**") (or an appropriate alternative stock exchange). The listing is expected to become effective as soon as reasonably practicable after the Closing Date and, accordingly, the Bonds will not be listed on their date of issue. There is no assurance that the listing will be obtained or, once obtained, maintained.

Once the Bonds are listed, the Issuer will be subject to reporting obligations in respect of the Bonds under the rules of the Vienna Stock Exchange. The disclosure standards imposed by the Vienna Stock Exchange may be different from those imposed by securities exchanges in other countries or regions, including Nasdaq Capital Markets, the TSX Venture Exchange and the ASX. As a result, the level of information that is available in respect of the Bonds may not correspond to what investors in the Bonds are accustomed to.

1.3.3 An active trading market for the Bonds may not develop, and there are restrictions on the transfer of the Bonds

The Bonds are a new issue of securities for which there is currently no trading market. Admission of the Bonds to trading on the Vienna MTF will not guarantee that an active trading market will develop or, if one does develop, that it will be maintained or be liquid. BofA Securities, as Sole Global Coordinator and Sole Bookrunner, is not obliged to make a market in the Bonds.

(a) The Bonds are being offered only to a limited number of investors outside the United States in reliance on Regulation S under the Securities Act, are issued in denominations of US$200,000 and integral multiples of US$100,000 in excess thereof, and are subject to the transfer restrictions in Condition 4(f) (including restrictions on transfers in Australia, Canada and the United States). Each of these factors may limit the number of potential purchasers of the Bonds. If an active trading market does not develop or is not maintained, investors may not be able to sell their Bonds easily, at the time they wish to, or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market, and the market price of the Bonds may be more volatile than it would otherwise be. If an active trading market were to develop, the Bonds could trade at prices that may be lower than their issue price. Whether or not the Bonds will trade at lower prices depends on many factors, including those factors set out in "*The liquidity and price of the Bonds following the offering may be volatile*" in section 1.3.4 below.

1.3.4 The liquidity and price of the Bonds following the offering may be volatile

The price and trading volume of the Bonds may be highly volatile in response to a number of factors, including:

(a) changes in the Group's revenues, earnings, cash flows, production or prospects, proposals for new investments, strategic alliances and/or acquisitions;

(b) changes in lithium prices, in the industry and competition affecting the Group and in the market for electric vehicles and other large format batteries;

(c) changes in interest rates, credit spreads, exchange rates (including between the US dollar, the Australian dollar, the Canadian dollar and the Brazilian real) and general debt and convertible securities market conditions;

(d) changes in investor perception of the Group and the lithium industry;

(e) the publication of earnings estimates or other research reports and speculation in the press or investment community in relation to the Group;

(f) fluctuations in the prices of the Shares on Nasdaq Capital Markets and the TSX Venture Exchange and of the CDIs on the ASX, and in the share prices of comparable companies;

(g) regulatory developments, including in Brazil, Canada, the United States and Australia; and

(h) general economic, political and market conditions in Brazil, Canada, the United States, Australia or internationally, including declines in the international financial markets and investors' reactions to developments in other countries or in the market for lithium and other critical minerals (see also "*Conflicts and economic sanctions*" in section 1.4.1).

Any such developments may result in significant and sudden changes in the trading volume and price of the Bonds. There is no assurance that these developments will not occur in the future.

1.3.5 The Bonds are unsecured obligations of the Issuer and will be effectively subordinated to secured indebtedness and structurally subordinated to the liabilities of the Issuer's subsidiaries

The Bonds constitute direct, unconditional, unsubordinated and (subject to Condition 2 (*Negative Pledge*)) unsecured obligations of the Issuer, ranking pari passu and ratably, without any preference among themselves, and equally with all other existing and future unsecured and unsubordinated obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are mandatory and of general application. The Bonds will be effectively subordinated to any secured indebtedness of the Issuer and its subsidiaries to the extent of the value of the assets securing such indebtedness.

The repayment of the Bonds may be compromised if:

(a) the Issuer enters into bankruptcy, liquidation, winding-up, restructuring or other similar proceedings;

(b) there is a default in payment under any of the Group's other secured or unsecured indebtedness; or

(c) there is an acceleration of any of the Group's indebtedness.

If any of the above events occurs, the Issuer may not have sufficient assets or cash flows remaining to pay amounts due on the Bonds, and Bondholders may receive less, ratably, than holders of secured indebtedness or of indebtedness of the Issuer's subsidiaries.

1.3.6 The Conditions contain limited covenant protection and do not restrict the Issuer's ability to incur additional debt or to grant security for bank debt

The negative pledge in Condition 2 restricts the Issuer and its Subsidiaries from creating or permitting to subsist Security Interests (other than Permitted Security Interests) to secure Relevant Indebtedness only. "Relevant Indebtedness" is limited to indebtedness in the form of, or evidenced by, notes, bonds, debentures or other securities which are or are capable of being quoted, listed or traded on a stock exchange or securities market, and expressly excludes syndicated or bilateral bank debt, project finance facilities and any interest rate hedging entered into in connection with such bank debt. The Group may therefore incur secured bank debt, and other secured indebtedness falling outside the definition of Relevant Indebtedness, without being required to secure the Bonds equally.

Other than Condition 2 and the undertakings in Condition 11, the Conditions do not restrict the Issuer or its subsidiaries from incurring additional indebtedness or other liabilities, from repurchasing the Bonds or repaying other indebtedness, or from taking other actions (including recapitalizations) that could adversely affect Bondholders. The Conditions do not require the Issuer to achieve or maintain any minimum financial results relating to its financial position or results of operations, and contain no financial covenants. The Issuer may also, without the consent of the Bondholders, create and issue further bonds pursuant to Condition 18. Future incurrence of indebtedness may increase the risks related to the Issuer and could have the effect of diminishing the Issuer's ability to make payments on the Bonds when due.

1.3.7 The Issuer may not have the ability to redeem or repay the Bonds when required

Unless previously purchased and cancelled, redeemed or converted, the Issuer must redeem the Bonds at their principal amount, together with accrued but unpaid interest, on the Final Maturity Date (expected to fall in 2031). Bondholders may also require the Issuer to redeem all or some of their Bonds (i) on the Put Option Date (expected to fall in 2029), at their principal amount, together with accrued but unpaid interest, and (ii) following the occurrence of a Relevant Event, being a Change of Control or a Delisting, at their principal amount, together with accrued but unpaid interest or, in certain circumstances following a CDI Delisting or a Nasdaq Delisting, at the Delisting Default Redemption Amount, together with accrued but unpaid interest. The Bonds may also become immediately due and repayable following an Event of Default under Condition 10 (subject to applicable grace periods). A substantial

proportion, or all, of the Bonds may therefore become repayable at the same time, including well before the Final Maturity Date.

A Delisting will occur not only if the CDIs cease to be quoted on the ASX or the Shares cease to be listed on Nasdaq Capital Markets or the TSX Venture Exchange (or the Toronto Stock Exchange, upon an uplisting, if applicable), but also if trading in the CDIs on the ASX, or in the Shares on either Nasdaq Capital Markets or the TSX Venture Exchange, is suspended or halted (including pursuant to a cease trade order of any Canadian securities regulatory authority) for a period of more than 20 consecutive Dealing Days. Because the Delisting trigger operates by reference to each of three exchanges, an obligation to redeem the Bonds may arise as a result of circumstances affecting a single exchange, which may be outside the Issuer's control.

The Issuer's ability to redeem or repay the Bonds will depend on its financial position at the relevant time, its operating cash flow, its access to cash within the Group and its ability to refinance, each of which is subject to the risks described in section 1.2, including "*Commodity price risk*" in section 1.2.11, "*Uncertainty regarding Sigma's ability to continue as a going concern*" in section 1.2.3 and "*Debt obligations*" in section 1.2.31. The Issuer may not have sufficient funds or other financial resources to make the required payment at the relevant time, and may be unable to arrange the necessary financing on acceptable terms or at all, particularly if the obligation arises at a time of market disruption or when the Group's financial position has deteriorated. The Issuer's ability to redeem the Bonds may also be limited by the terms of its other indebtedness. A failure by the Issuer to repay or redeem Bonds when due would constitute an Event of Default under the Bonds, which may also constitute a default under the terms of other indebtedness of the Group.

1.3.8 If the Issuer or its subsidiaries are unable to comply with the restrictions and covenants in their debt agreements, there could be a default under those agreements and under the Bonds, which could cause repayment of the relevant debt (including the Bonds) to be accelerated

If the Issuer or its subsidiaries are unable to comply with the restrictions and covenants in their current or future debt and other agreements, there could be a default under the terms of those agreements. In the event of such a default, the holders of the relevant debt could terminate their commitments to lend, accelerate repayment of the debt and declare all outstanding amounts due and payable or terminate the agreements, as the case may be.

The Events of Default in Condition 10 apply to the Issuer and its Material Subsidiaries and include a cross-default which is triggered if indebtedness for borrowed money (or guarantees or indemnities in respect of indebtedness for borrowed money) of the Issuer or any Material Subsidiary equal to or exceeding US$25,000,000 (or its equivalent in other currencies) is accelerated, is not paid when due or within any applicable grace period, or is the subject of enforcement of any security. The Group's current or future debt agreements may also contain cross-acceleration or cross-default provisions. As a result, a default under one debt agreement may cause the acceleration of repayment of not only that debt but also other debt, including the Bonds, or result in a default under other debt agreements of the Group. If any of these events occurs, there is no assurance that the Issuer would have sufficient assets and cash flow to repay all of its indebtedness in full, or that it would be able to find alternative financing on acceptable terms or at all.

1.3.9 The Bonds may be redeemed at the Issuer's option, which may adversely affect the trading price of the Bonds and may subject Bondholders to reinvestment risk

Subject to the Conditions, the Issuer may redeem all, but not some only, of the Bonds at their principal amount, together with accrued but unpaid interest, in certain limited circumstances. Under Condition 7(b), the Issuer may redeem the Bonds if, at any time prior to the date the relevant Optional Redemption Notice is given, Conversion Rights have been exercised and/or purchases (and corresponding cancellations) and/or redemptions have been effected in respect of 85 per cent. or more in principal amount of the Bonds originally issued. The Issuer may also redeem the Bonds for certain taxation reasons under Condition 7(c); see "*The Bonds are redeemable in the event of certain Canadian withholding taxes being applicable, and the gross-up obligation is subject to exceptions*" in section 1.3.10 below.

As a result, the trading price of the Bonds may be affected when any such option becomes, or is expected to become, exercisable, and Bondholders may not be able to sell their Bonds at an attractive price. Bondholders who wish to convert rather than accept redemption must exercise their Conversion Rights within the period specified in the Conditions, and the value of the CDIs or Shares received may be less than the value the Bondholder would have received had it been able to hold the Bonds to maturity. In addition, the date on which the Issuer elects to redeem the Bonds may not accord with the preference or individual circumstances of Bondholders, and Bondholders may be subject to additional risks in reinvesting the redemption proceeds.

1.3.10 The Bonds are redeemable in the event of certain Canadian withholding taxes being applicable, and the gross-up obligation is subject to exceptions

No assurance is given by the Issuer as to whether payments on the Bonds may be made without withholding or deduction for or on account of any taxes, duties, assessments or governmental charges imposed or levied by or on behalf of Canada or any political subdivision or authority thereof having power to tax. Although the Issuer is required under Condition 9 to pay additional amounts so that Bondholders receive the amounts they would have received had no such withholding or deduction been required, that obligation is subject to a number of exceptions. These include where the holder or beneficial owner has a connection with Canada other than the mere holding of the Bonds, where the holder could have avoided or reduced the withholding by making a declaration of non-residence or other claim for exemption, and where the Bond is held by or on behalf of a holder that does not deal at arm's length with the Issuer for the purposes of the Income Tax Act (Canada), that is (or does not deal at arm's length with) a "specified shareholder" of the Issuer, or in respect of which the Issuer is a "specified entity" (as defined in subsection 18.4(1) of the Income Tax Act (Canada)). Bondholders falling within an exception will receive payments net of the relevant withholding or deduction.

Under Condition 7(c), the Issuer may redeem all, but not some only, of the Bonds at their principal amount, together with accrued but unpaid interest, if it has or will become obliged to pay additional amounts as a result of any change in, or amendment to, the laws or regulations of Canada (or any change in their general application or official interpretation) which becomes effective on or after the Pricing Date, and such obligation cannot be avoided by the Issuer taking reasonable measures available to it. Bondholders may elect not to have their Bonds redeemed, but in that case will not be entitled to additional amounts in respect of payments of interest falling due after the Tax Redemption Date, and such payments will be made subject to any applicable deduction or withholding of Canadian tax.

1.3.11 Bondholders may be subject to tax

Prospective investors are advised to consult their own tax advisers concerning the overall tax consequences of the purchase, ownership, disposition or conversion of the Bonds and of the acquisition, holding and disposal of the CDIs (and any Shares underlying them), including under the laws of Canada, Australia, the United States and the jurisdiction in which they are resident. Future changes in tax laws or in their interpretation or application by the courts or tax authorities in any of those jurisdictions may affect the tax treatment of an investment in the Bonds or the CDIs. See also "*Tax change risks*" in section 1.2.42 and "*Passive Foreign Investment Company status*" in section 1.4.13.

1.3.12 Conversion Rights will be satisfied by the delivery of CDIs quoted on the ASX or, only following the Additional Conversion Venue Effective Date and where a Common Share Election is made, Shares listed on Nasdaq Capital Markets, and will not be settled in cash

Conversion Rights are exercisable for, and will be satisfied by the issue or transfer and delivery of, CDIs quoted on the ASX or, where Condition 14(d) applies and the Bondholder has made a Common Share Election in its Conversion Notice on or after the Additional Conversion Venue Effective Date, Shares listed on Nasdaq Capital Markets (being the Additional Conversion Venue). Bondholders will not be entitled to receive Shares listed on the TSX Venture Exchange on conversion, and the Issuer is not entitled (and no Bondholder is entitled to require the Issuer) to satisfy Conversion Rights, in whole or in part, by a payment of cash, including following a CDI Delisting or a Nasdaq Delisting or where a Common Share Delivery Restriction exists. Unless a Relevant Event or an Event of Default occurs, Conversion Rights may not be

exercised before the date falling 12 months after the Closing Date (the "**Conversion Period Commencement Date**").

Fractions of CDIs or Shares will not be issued on conversion and no cash payment or other adjustment will be made in lieu thereof. However, if the Conversion Right in respect of more than one Bond is exercised at any one time such that CDIs or Shares, as applicable, to be issued on conversion are to be registered in the same name, the number of such CDIs or Shares to be issued in respect thereof shall be calculated on the basis of the aggregate principal amount of such Bonds being so converted and rounded down to the nearest whole number of CDIs or Shares, as applicable.

Each CDI represents a beneficial interest in Shares (as at the Closing Date, one CDI for each Share) held by CHESS Depositary Nominees Pty Limited (the "**Depositary Nominee**"). On delivery of CDIs on conversion, legal title to the underlying Shares will be held by the Depositary Nominee, and the converting Bondholder will hold only a beneficial interest in those Shares and will be bound by the terms of the CDIs, the ASX Settlement Operating Rules and the constitutional documents of the Issuer. Bondholders receiving CDIs will need to make arrangements to receive and hold CDIs through CHESS, which may involve additional cost and administrative burden for investors who do not otherwise participate in the Australian market. A Bondholder that receives CDIs on conversion and wishes to hold Shares, or to sell on Nasdaq Capital Markets or the TSX Venture Exchange, will need to convert its CDIs into Shares, which is subject to the procedures and approvals described in "*Illiquidity of CDIs*" in section 1.4.8 and may involve delay and cost, during which the Bondholder will bear the risk of movements in the price of the Shares and the CDIs.

The Issuer's obligation to issue CDIs on conversion, and to apply for their quotation on the ASX, applies provided the Issuer is admitted to the official list of the ASX. The Issuer has undertaken only to use its reasonable endeavors (and subject to the occurrence of a Change of Control) to ensure the CDIs remain admitted to the official list of the ASX, and to use its best endeavors to procure that CDIs issued on conversion are quoted on the ASX. There is no assurance that quotation of the CDIs will be granted, or will be granted promptly. If the CDIs were to cease to be quoted on the ASX, or trading in the CDIs on the ASX were suspended or halted for more than 20 consecutive Dealing Days, a CDI Delisting would occur, giving rise to the redemption rights described in "*The Issuer may not have the ability to redeem or repay the Bonds when required*" in section 1.3.7. Following a CDI Delisting, the practical ability of Bondholders to exercise Conversion Rights and to receive and trade securities on conversion would depend on the Additional Conversion Venue Effective Date having occurred and on Shares being capable of delivery pursuant to a Common Share Election without a restrictive legend or other transfer restriction. If a Common Share Delivery Restriction exists at that time, the Issuer will not be entitled or required to satisfy Conversion Rights in cash, and the remedy available to Bondholders will be limited to requiring redemption of their Bonds in accordance with Condition 7(e).

1.3.13 The market for the CDIs may be less liquid than the market for the Shares, and the value received on conversion will depend on the price of the CDIs on the ASX and on exchange rates

The Conversion Price is denominated in US dollars per Share, the Reference Share Price is the closing price of the Shares on Nasdaq on the Pricing Date, and the Closing Price of the Shares for the purposes of the Conditions is (save where a Nasdaq Unavailability Event has occurred and is continuing) determined by reference to Nasdaq. The number of CDIs deliverable on conversion is determined by dividing the principal amount of the Bonds converted by the Conversion Price and multiplying by the CDI Ratio, without any currency translation. However, the CDIs which Bondholders receive on conversion are quoted and traded on the ASX in Australian dollars. The value realized by a Bondholder on conversion will therefore depend on the trading price of the CDIs on the ASX and on the exchange rate between the US dollar and the Australian dollar (and, for Bondholders whose Investor's Currency (as defined in "*Exchange rate risks and exchange controls may affect an investor's returns on the Bonds and on the CDIs*" in section 1.3.22) is another currency, the exchange rate between the Australian dollar and that currency), which may differ from the value implied by the price of the Shares on Nasdaq.

As described in "*Illiquidity of CDIs*" in section 1.4.8, the market for the CDIs on the ASX may be less liquid than the market for the Shares on Nasdaq Capital Markets and the TSX Venture Exchange, and the CDIs may trade at a discount to the Shares. Bondholders receiving a significant number of CDIs on conversion may be unable to sell them promptly or without adversely affecting their market price.

Where, following the Additional Conversion Venue Effective Date, a Bondholder makes a Common Share Election, it will receive Shares rather than CDIs, and the value it realizes on conversion will instead depend on the price of the Shares on Nasdaq Capital Markets. However, Shares delivered pursuant to a Common Share Election may be subject to transfer restrictions, and a conditional Common Share Election may result in the delivery of CDIs instead, in which case the Bondholder will be exposed to the risks described in this risk factor.

1.3.14 Bondholders will have no rights as holders of Shares or CDIs prior to conversion, but will be subject to all changes affecting the Shares, and holders of CDIs do not hold legal title to the underlying Shares

Unless and until Bondholders acquire CDIs on conversion of their Bonds, they will have no rights with respect to the Shares or the CDIs, including any voting rights or rights to receive any dividends or other distributions, and will not be able to influence any decision of the Issuer's shareholders, including in relation to its capital structure. However, Bondholders will be subject to all changes affecting the Shares. For example, if an amendment is proposed to the Issuer's constitutional documents requiring shareholder approval, and the record date for determining the shareholders entitled to vote on the amendment occurs before the relevant Conversion Date, the relevant Bondholder will not be entitled to vote on the amendment but will nevertheless, following conversion, be subject to any resulting changes in the rights attaching to the Shares.

Following conversion, unless a Common Share Election has been made and Shares have been delivered, Bondholders will hold CDIs rather than Shares. Because legal title to the Shares underlying the CDIs is held by the Depositary Nominee, holders of CDIs may only exercise the rights attaching to those Shares (including voting rights at meetings of the Issuer's shareholders) indirectly, in accordance with the ASX Settlement Operating Rules and the arrangements applicable to CDIs, which may be less direct and less convenient than the exercise of those rights by registered holders of Shares.

1.3.15 Bondholders will bear the risk of fluctuations in the price of the Shares and the CDIs

Because the Bonds are convertible into CDIs over Shares, the market price of the Bonds at any time is expected to be affected by fluctuations in, and by expectations as to the future volatility of, the price of the Shares on Nasdaq Capital Markets and the TSX Venture Exchange and of the CDIs on the ASX. It is impossible to predict whether those prices will rise or fall, and the prices on each of those exchanges may differ. A fall in the price of the Shares or the CDIs, or a reduction in their expected volatility, is likely to reduce the market price of the Bonds, and may result in greater volatility in the market price of the Bonds than would be expected for non-convertible debt securities. Bondholders bear that risk from the date they acquire the Bonds, whether or not they exercise their Conversion Rights.

The price of the Shares and the CDIs may be influenced by the Group's operating results, lithium prices and other factors, including changes in the regulatory environment and political, economic and financial conditions in Brazil and the other markets in which the Group operates, and conditions in the capital markets in general. Corporate events such as share sales, reorganizations, takeovers or share buy-backs may also adversely affect the value of the Shares and the CDIs. See "*The price of Shares and CDIs is volatile*" in section 1.4.9. The value of the CDIs received on conversion may be less than the principal amount of the Bonds converted, and the past performance of the Shares and the CDIs is not necessarily an indication of their future performance.

1.3.16 Bondholders have limited anti-dilution protection

The Conversion Price will be adjusted in the event of a consolidation, reclassification, redesignation or subdivision of the Shares, a capitalization of profits or reserves, Dividends,

rights issues or grants of options over Shares or other Securities, issues of Shares or other Securities at less than 90 per cent. of the Current Market Price, modifications of rights of conversion or exchange attaching to Securities, certain other offers to Shareholders, the occurrence of a Relevant Event and certain other events, but only in the circumstances and only to the extent provided in Condition 6(e). There is no requirement that there should be an adjustment for every corporate or other event that may affect the value of the Shares or the CDIs. In particular, no adjustment will be made where Shares, CDIs or other Securities are issued, offered or granted pursuant to an Equity Share Scheme, and there is no threshold above which such issues would result in an adjustment. In addition, the Issuer has undertaken not to take any action that would cause the Conversion Price to be adjusted in a manner that contravenes the Corporations Act, the ASX Listing Rules, applicable Canadian securities laws or the policies of the TSX Venture Exchange (or such other stock exchange in Canada on which the Shares are then listed). Events in respect of which no adjustment is made may adversely affect the value of the Shares and the CDIs and, therefore, the value of the Bonds.

1.3.17 The Relevant Event Conversion Price may not adequately compensate Bondholders for the loss of option value

If a Relevant Event occurs (being a Change of Control or a Delisting), the Conversion Price applicable to Bonds converted during the relevant Relevant Event Conversion Period will be reduced to the Relevant Event Conversion Price determined in accordance with the formula in Condition 6(e)(x). The Relevant Event Conversion Period commences on the occurrence of the Relevant Event and ends 30 calendar days after the Relevant Event or, if later, 30 calendar days after the Relevant Event Notice is given, and Bondholders who do not convert within that period will not benefit from the adjustment. In addition, Conversion Rights may not be exercised in respect of a Bond once the holder has given notice requiring its redemption under Condition 7(e).

Although the adjustment is intended to compensate Bondholders for the option value they may lose, the formula is pre-set and reduces the benefit of the adjustment on a straight-line basis as the time remaining to the Final Maturity Date decreases. It does not account for many of the factors that will determine the amount of option value that a Bondholder will lose, including any change in the volatility of the Shares or the CDIs that may occur upon the Relevant Event or whether the market price of the Shares at that time is near the Conversion Price. In addition, a Change of Control is construed by reference to applicable Canadian corporate and securities laws and is limited to the events described in the Conditions; transactions falling outside that definition (including an Exempt Newco Scheme) will not give rise to an adjustment or to the right of Bondholders to require redemption.

1.3.18 Conversion of the Bonds will dilute the interests of existing shareholders and could adversely affect the market price of the Shares and the CDIs

Because Conversion Rights can only be satisfied by the delivery of CDIs or, where a Common Share Election is made following the Additional Conversion Venue Effective Date, Shares, and the Issuer has no right to settle conversions in cash, the conversion of some or all of the Bonds will result in the issue of new Shares (including Shares over which CDIs will be issued) and will dilute the ownership interests of the Issuer's existing shareholders. Any sales on the ASX of CDIs delivered on conversion, or on Nasdaq Capital Markets or the TSX Venture Exchange of Shares delivered on conversion or following the conversion of CDIs into Shares, could adversely affect the prevailing market prices of the CDIs and the Shares. In addition, the existence of the Bonds may encourage short selling of the Shares or the CDIs by market participants. See also "*Risk of dilution*" in section 1.2.16.

1.3.19 Future issues or sales of Shares or CDIs, or the perception that they may occur, could adversely affect the price of the Shares, the CDIs and the Bonds

Further issues, offers or sales of, or the actual or perceived possibility of further issues, offers or sales of, a significant number of Shares or CDIs, or of securities convertible or exchangeable into or exercisable for Shares or CDIs, or of any securities or financial instruments whose economic value is determined by reference to the market price of the Shares or the CDIs, could adversely affect the prevailing market price of the Shares and the CDIs and, in turn, the market price of the Bonds. The Issuer may issue such securities in the future for a number of reasons, including to finance its operations and growth, and the Conditions do not restrict it from doing

so (subject to the adjustments to the Conversion Price described in "*Bondholders have limited anti-dilution protection*" in section 1.3.16). The Issuer may also issue further bonds under Condition 18.

The Issuer and its major shareholder entered a lock-up from the Pricing Date until 90 days after the Closing Date, subject to customary exceptions. The lock-up does not restrict equity private placements by the Issuer of CDIs to Australian investors, and the Issuer may therefore issue CDIs during the lock-up period. Following expiry of the lock-up, or if it is waived, the Issuer may issue, and its shareholders (including A10 Fund, which is a significant minority shareholder; see "*A10 Fund has significant influence over Sigma*" in section 1.4.3) may sell, Shares or CDIs. It is difficult to predict the effect, if any, that such issues or sales, or the availability of Shares or CDIs for future sale, will have on the market price of the Shares, the CDIs and the Bonds. In addition, the price of the Shares and the CDIs could be affected by sales by investors who view the Bonds as a more attractive means of obtaining equity participation in the Issuer, and by hedging or arbitrage trading activity involving the Bonds.

1.3.20 The issue of the Bonds, and related hedging and short selling activity, may result in downward pressure on the market price of the Shares and the CDIs

Many investors in convertible bonds seek to hedge their exposure in the underlying equity securities, including, to the extent permitted by applicable laws and regulations, through short selling or similar transactions. As the Shares are listed on Nasdaq Capital Markets and the TSX Venture Exchange and the CDIs are quoted on the ASX, such hedging activity may take place on any of those exchanges, and differences in the liquidity of, and the availability of stock borrow in, the Shares and the CDIs may affect the manner and extent of such activity. Any such short selling or similar hedging activity undertaken by investors in the Bonds could place significant downward pressure on, or increase the volatility of, the market price of the Shares and the CDIs, thereby having a material adverse effect on the market price of the Shares and the CDIs and, in turn, the trading price of the Bonds.

1.3.21 Regulatory actions may adversely affect the trading price and liquidity of the Bonds

Investors in, and potential purchasers of, the Bonds may employ, or seek to employ, a convertible arbitrage strategy with respect to the Bonds. Investors that employ such a strategy and do not rely solely on derivative hedging arrangements typically implement the strategy by selling short the Shares or the CDIs. As a result, any specific rules regulating the short selling of securities, or other regulatory action, in Canada, the United States or Australia that interferes with the ability of investors in, or potential purchasers of, the Bonds to effect short sales of the Shares or the CDIs could adversely affect their ability to conduct a convertible arbitrage strategy. This could, in turn, adversely affect the trading price and liquidity of the Bonds.

1.3.22 Exchange rate risks and exchange controls may affect an investor's returns on the Bonds and on the CDIs

The Issuer will make payments of principal and interest on the Bonds in US dollars. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the US dollar. These include the risk that exchange rates may change significantly (including as a result of a devaluation of the US dollar or a revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the US dollar would decrease (i) the Investor's Currency-equivalent yield on the Bonds, (ii) the Investor's Currency-equivalent value of the principal and interest payable on the Bonds, and (iii) the Investor's Currency-equivalent market value of the Bonds.

In addition, the CDIs deliverable on conversion trade on the ASX in Australian dollars, so that the value of the CDIs received on conversion, in US dollars or in the Investor's Currency, will be affected by movements in the exchange rate between the Australian dollar and those currencies; see "*The market for the CDIs may be less liquid than the market for the Shares, and the value received on conversion will depend on the price of the CDIs on the ASX and on exchange rates*" in section 1.3.13 above. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable

exchange rate or the ability of investors to convert or transfer amounts received under the Bonds or on the sale of CDIs. As a result, investors may receive less principal, interest or sale proceeds than expected in their Investor's Currency. See also "*Currency fluctuation risks*" in section 1.2.23.

1.3.23 Changes in market interest rates may adversely affect the value of the Bonds

The Bonds bear interest at a fixed rate, payable quarterly in arrear. Investment in fixed rate bonds involves the risk that subsequent increases in market interest rates may adversely affect the value of the Bonds.

1.3.24 Securities law restrictions on the resale and conversion of the Bonds and the resale of the CDIs and Shares may impact investors' ability to sell the Bonds, the CDIs and the Shares

The Bonds, the CDIs and the Shares have not been and will not be registered under the Securities Act or the securities laws of any state of the United States. Unless and until they are registered, they may not be offered, sold or resold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws, and hedging transactions may not be conducted unless in compliance with the Securities Act. The Bonds are being offered and sold only outside the United States in reliance on Regulation S (Category 2) under the Securities Act, and the Issuer is not required to register the Bonds, the CDIs or the Shares. Bondholders exercising Conversion Rights before the Conversion Period Commencement Date following an Event of Default will be required to certify, among other things, that they are located outside the United States.

Under Condition 4(f), the Bonds may only be transferred if the offer or invitation giving rise to the transfer does not require disclosure to investors under Part 6D.2 of the Corporations Act, is not made to a person in Australia who is a "retail client" within the meaning of section 761G of the Corporations Act, is not made to any person in Canada or the United States except in a manner that does not require registration, a prospectus, an offering memorandum or other disclosure document under the securities laws of any province or territory of Canada or of the United States, and complies with any applicable law of the jurisdiction where the transfer takes place. The offering of the Bonds is also subject to selling restrictions in other jurisdictions, including the United Kingdom, the EEA, Hong Kong, Singapore, Japan, Switzerland, Brazil and New Zealand.

The free tradeability on the ASX of CDIs issued on conversion depends on the Issuer issuing a cleansing notice in accordance with section 708A(12C)(e) of the Corporations Act (as notionally inserted and modified by the applicable ASIC instruments) on the date of issue of the Bonds, as the Issuer has undertaken to do. If, for any reason, an effective cleansing notice is not issued, or the relevant relief is not available, the ability of Bondholders to on-sell CDIs within 12 months of their issue without disclosure under the Corporations Act may be restricted.

Shares delivered pursuant to a Common Share Election will not have been registered under the Securities Act. Although the Rule 144 holding period for such Shares will include the period during which the corresponding Bonds were held, unrestricted delivery and resale will generally be available only to a holder that is not, and has not been during the preceding three months, an affiliate of the Issuer. Shares delivered where the applicable requirements for unrestricted delivery have not been satisfied (including where Bonds are converted before the applicable Rule 144 holding period has expired, such as following a Relevant Event or an Event of Default) will be subject to applicable U.S. securities law transfer restrictions and any restrictive legend or equivalent book-entry restriction until such restrictions may lawfully be removed. The cleansing notice described above applies only to CDIs and will not apply to Shares delivered pursuant to a Common Share Election, and any resale of Shares or CDIs in Canada or to a resident of Canada must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable Canadian securities laws.

1.3.25 Foreign investment and other investment restrictions may affect investors' ability to hold the Bonds or to exercise Conversion Rights

Certain jurisdictions impose restrictions, notification obligations or prohibitions on investments by their residents in foreign companies, or on investments by foreign persons in domestic companies, including in sectors considered strategic such as critical minerals. As described in "*Actions by foreign governments regarding critical minerals may affect Sigma's business*" in section 1.2.40, the lithium industry has become subject to increasing political involvement. Such restrictions may apply not only to the initial acquisition of the Bonds but also to the subsequent acquisition of CDIs on exercise of Conversion Rights, and the acquisition of CDIs may also give rise to disclosure obligations under the securities laws of Canada, the United States or Australia. Potential investors should satisfy themselves as to whether any such restrictions or obligations apply to their acquisition of the Bonds and to the exercise of their Conversion Rights.

The scope and application of such restrictions may change during the life of the Bonds as a result of evolving national security concerns, technological developments and geopolitical events. New or expanded laws and regulations may be enacted, and existing laws and regulations may be amended, repealed or applied or interpreted differently. Any such restrictions or obligations could affect the exercise of Conversion Rights by affected investors, which in turn could affect the liquidity and value of the Bonds. Investors should consult their own advisers.

1.3.26 The Trustee may request Bondholders to provide an indemnity and/or security and/or pre-funding to its satisfaction

In certain circumstances (including the giving of notice to the Issuer under Condition 10 and the taking of enforcement steps under Condition 15), China Construction Bank (Asia) Corporation Limited, as trustee (the "**Trustee**"), may request Bondholders to provide an indemnity and/or security and/or pre-funding to its satisfaction before it takes any steps or actions or institutes any proceedings on behalf of Bondholders. The Trustee shall not be obliged to take any such steps or actions or institute any such proceedings if it is not first indemnified and/or secured and/or pre-funded to its satisfaction. Negotiating and agreeing to an indemnity and/or security and/or pre-funding can be a lengthy process and may affect when or whether such steps or actions can be taken. The Trustee may not be able to take such steps or actions, notwithstanding the provision of an indemnity and/or security and/or pre-funding to it, in breach of the terms of the Trust Deed or the Conditions or where there is uncertainty or dispute as to the applicable laws or regulations and, to the extent permitted by the Trust Deed, the Conditions and applicable law, it will then be for the Bondholders to take such steps or actions directly. Enforcement may therefore be delayed, or may not occur at all, even where an Event of Default has occurred.

1.3.27 Modifications and waivers may be made in respect of the Conditions and the Trust Deed by the Trustee or by defined majorities of Bondholders, and the Trustee may agree to the substitution of the Issuer without the consent of all Bondholders

The Conditions contain provisions for calling meetings of Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Bondholders, including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority. There is a risk that the decision of the majority may be adverse to the interests of individual Bondholders.

No consent or approval of Bondholders shall be required in connection with any Newco Scheme modification.

The Conditions also provide that the Trustee may, without the consent of Bondholders, agree to:

(a) any modification of the Trust Deed, the Agency Agreement, the Bonds or the Conditions which in the Trustee's opinion is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of law;

(b) any other modification (except as mentioned in the Trust Deed), and any waiver or authorization of any breach or proposed breach, of any of the provisions of

the Trust Deed, the Agency Agreement, the Bonds or the Conditions which is, in the opinion of the Trustee, not materially prejudicial to the interests of the Bondholders;

(c) determine any Event of Default or Potential Event of Default should not be treated as such, provided that in the opinion of the Trustee, the interests of Bondholders will not be materially prejudiced thereby; and

(d) the substitution in place of the Issuer, as principal debtor under the Bonds and the Trust Deed, of any Subsidiary of the Issuer, subject to the obligations of the substitute being unconditionally and irrevocably guaranteed by Sigma Corporation, the Bonds continuing to be convertible into CDIs (and, where Condition 14(d) applies, Shares), the Trustee being satisfied that the interests of the Bondholders will not be materially prejudiced and certain other conditions in the Trust Deed being satisfied.

In addition, under Condition 14(d), the Trustee and the Agents are required, without the consent of Bondholders, to agree with the Issuer to such consequential amendments of an administrative and/or technical nature to the Conditions, the Trust Deed and/or the Agency Agreement as may be required to give effect to the right of Bondholders to make a Common Share Election, subject to the conditions set out in Condition 14(d) (including the Trustee being satisfied that the interests of Bondholders will not be materially prejudiced). Any such amendments will be binding on all Bondholders.

Further, subject to Condition 9(b) and Condition 11(i), the Issuer may change the jurisdiction in which it is domiciled or resident or to whose taxing authority it is generally subject. The effect of these provisions is that a Bondholder may be unable to prevent changes being made to the Bonds which may be adverse to its interests.

1.3.28 The Bonds will initially be represented by a Global Certificate, and holders of beneficial interests in the Global Certificate must rely on the procedures of the relevant Clearing Systems

The Bonds will initially be represented by a Global Certificate registered in the name of a nominee of, and deposited with a common depositary for, Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream**") (each a "**Clearing System**"). Except in the limited circumstances described in the Global Certificate, investors will not be entitled to receive definitive Certificates. The Clearing Systems will maintain records of the beneficial interests in the Global Certificate and, while the Bonds are represented by the Global Certificate, investors will be able to trade their beneficial interests, receive payments and exercise voting and Conversion Rights only through, and in accordance with the procedures of, the Clearing Systems. Holders of beneficial interests in the Global Certificate will not have a direct right to vote in respect of the Bonds and will be permitted to act only to the extent that they are enabled by the relevant Clearing System to appoint appropriate proxies.

While the Bonds are represented by the Global Certificate, the Issuer will discharge its payment obligations under the Bonds by making payments to or to the order of the common depositary for the Clearing Systems for distribution to their account holders, and a holder of a beneficial interest must rely on the procedures of the relevant Clearing System to receive payments. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Certificate. CDIs delivered on conversion will be settled through CHESS, and any Shares delivered pursuant to a Common Share Election will be settled through The Depository Trust Company or the direct registration system maintained by the Issuer's transfer agent, in each case rather than through the Clearing Systems; see "*Conversion Rights will be satisfied by the delivery of CDIs quoted on the ASX or, only following the Additional Conversion Venue Effective Date and where a Common Share Election is made, Shares listed on Nasdaq Capital Markets, and will not be settled in cash*" in section 1.3.12 above. A Bondholder holding an amount that is not an authorized denomination may not receive a definitive Certificate in respect of that holding and may find it difficult to trade.

1.3.29 The Bonds are governed by English law, the Issuer is subject to the laws of several other jurisdictions, and it may be difficult for Bondholders to enforce judgments against the Issuer

The Trust Deed, the Agency Agreement and the Bonds are governed by English law, and the courts of England have jurisdiction to settle any disputes arising out of or in connection with them. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of issue of the Bonds. The Issuer must also comply with various legal requirements, including requirements imposed by the corporate and securities laws of Canada, the securities laws of the United States and Australia (including the Corporations Act) and the rules of Nasdaq Capital Markets, the TSX Venture Exchange and the ASX. Should any of those laws or rules change, the legal requirements to which the Issuer is subject could differ materially from current requirements, which could adversely affect the Bonds and the rights of Bondholders.

The Issuer is incorporated in Canada and the Group's principal operating assets are located in Brazil, held through Sigma Brazil, and a substantial portion of the Group's directors, officers and assets are located outside England. As described in "*Sigma is incorporated in Canada*" in section 1.2.15, these foreign aspects may make it more difficult for securityholders to enforce their legal rights. It may be difficult for Bondholders to effect service of process within England on the Issuer or such persons, or to enforce judgments obtained in the English courts against the Issuer or such persons in Canada, Brazil or elsewhere.

1.3.30 The insolvency laws of Canada and Brazil may differ from those of other jurisdictions with which Bondholders are familiar

As the Issuer is incorporated under the laws of Canada and continued under the laws of the Province of Ontario under the *Business Corporations Act* (Ontario), any insolvency or restructuring proceedings relating to the Issuer, even if brought in other jurisdictions, are likely to involve Canadian insolvency and restructuring laws. As the Group's principal operating subsidiary, Sigma Brazil, is incorporated in Brazil, any insolvency or restructuring proceedings relating to it are likely to involve Brazilian insolvency laws. The procedural and substantive provisions of such laws may differ from comparable provisions of the insolvency laws of jurisdictions with which Bondholders are familiar, and there is no assurance that Bondholders will receive the same level of protection under those laws as they would in their home jurisdictions.

1.4 General risks

1.4.1 Conflicts and economic sanctions

The current military conflicts in Ukraine and the Middle East and the economic or other sanctions imposed in response to such military conflicts and other global conflicts may impact global markets in such a manner as to have a material adverse effect on Sigma’s business, operations, financial condition and stock price. The military conflicts in Ukraine and the Middle East, and other global conflicts, could lead to heightened volatility in the global markets, increased inflation, and turbulence in commodities markets. In response to Russian military actions in Ukraine, several countries (including Canada, the United States and certain allies) have imposed economic sanctions and export control measures, and may impose additional sanctions or export control measures in the future, which have and could in the future result in, among other things, severe or complete restrictions on exports and other commerce and business dealings involving Russia, certain regions of Ukraine, and/or particular entities and individuals. While Sigma does not have any direct exposure or connection to Russia or Ukraine, as the military conflict is a rapidly developing situation, it is uncertain as to how such events, events in the Middle East, and other global conflicts, and any related economic sanctions could impact the global economy and commodities markets. Any negative developments in respect thereof could have a material adverse effect on Sigma’s business, operations, or financial condition.

1.4.2 Director and officer conflicts of interest

Under the Ontario Business Corporations Act, directors with a material interest in a person that is party to a material contract or transaction with Sigma are required, subject to applicable exceptions, to disclose that interest and generally abstain from voting on the relevant resolution.

1.4.3 A10 Fund has significant influence over Sigma

A10 Fund is a significant minority shareholder of Sigma, holding approximately 42% of the issued Shares, and does not hold a majority of board seats. Accordingly, it cannot unilaterally determine decisions of the board.

According to U.S. securities law and Canadian corporate law, for as long as A10 Fund maintains a significant minority shareholding, it shall remain in a position to exercise its voting rights as a shareholder, proportionally to its shareholding stake and can therefore, influence Sigma's governance and strategic direction accordingly.

Any disposal by A10 Fund of all or part of its shareholding, whether through a sale in the public market, a private block trade or a change of control transaction, or the perception that such a disposal may occur, could create an overhang on the Shares and CDIs, adversely affect their market price and, consequently, the trading price of the Convertible Bonds. Depending on the structure adopted, other securityholders may not be entitled to participate in any such transaction on equivalent terms, and a sale of A10 Fund's shareholding by way of a private transaction may not require the purchaser to make a takeover bid to all shareholders under Canadian securities laws. Certain of Sigma's current and former officers are reported to retain an interest in the A10 Fund. Any change in the arrangements relating to that interest may change the future behaviour of the A10 Fund against its track record of consistently supporting, including financially, the Company.

1.4.4 Ontario and Canadian securities law differences

Sigma is governed by the OBCA and Canadian securities laws, which may affect the rights of shareholders differently than those of a company governed by the laws of another jurisdiction, and may, together with Sigma's constating documents, have the effect of delaying, deferring or discouraging another party from acquiring control of Sigma by means of a tender offer, a proxy contest or otherwise, or may affect the price an acquiring party would be willing to offer in such an instance.

1.4.5 Cybersecurity risks

Sigma is subject to risks associated with its information technology systems and cybersecurity. Threats to information technology systems associated with cybersecurity risks and cyber incidents or attacks continue to grow. It is possible that the business, financial and other systems of Sigma or other companies with which it does business could be compromised, which might not be noticed for some period of time. Risks associated with these threats include, among other things, loss of intellectual property, disruption of business operations and safety procedures, loss or damage to worksite data delivery systems, and increased costs to prevent, respond to or mitigate cybersecurity events.

1.4.6 Securities analysts and activist shareholders

The trading market for Sigma's Shares depends, in part, on the research and reports that securities or industry analysts publish about Sigma or its business. Sigma does not have any control over these reports. If one or more of the analysts who cover Sigma downgrade its stock or publish inaccurate or unfavorable research about its business, the price of Sigma's Shares could decline. In addition, if Sigma's results of operations fail to meet the forecast of analysts, the price of its Shares could decline. If one or more of these analysts cease coverage of Sigma or fail to publish reports on Sigma regularly, demand for Shares could decrease, which might cause the price and trading volume of Shares to decline. In addition, short sellers may publish reports containing allegations about Sigma, which may negatively impact the price of the Shares and may influence negative disclosure in social media or other online platforms. Any such reports, downgrades or adverse media coverage, whether or not accurate, may adversely

affect the price of the Shares and CDIs and, consequently, the trading price of the Convertible Bonds, and may result in regulatory inquiries or litigation that divert management attention.

1.4.7 No guarantee that Shares will earn any positive return in the short term or long term

A holding of Shares is speculative and involves a high degree of risk and should be undertaken only by holders whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. A holding of Shares is appropriate only for holders who have the capacity to absorb a loss of some or all of their holdings.

1.4.8 Illiquidity of CDIs

If the number of CDIs quoted on the ASX is less than the number of outstanding Shares listed on the TSXV and Nasdaq, it is possible that the market for CDIs on the ASX may be less liquid than the market for Shares on the TSXV and Nasdaq. This may have the effect of reducing the volume of CDIs that can be bought and sold on the ASX and the speed with which they can be bought and sold.

This reduced liquidity may also result in CDIs trading on the ASX at a discount to Shares on the TSXV and Nasdaq. A holder of CDIs may convert its CDIs into Shares tradable on the TSXV and Nasdaq by submitting a CDI Cancellation Request Form to Computershare, should the holder wish to access the market in Shares on the TSXV and Nasdaq.

1.4.9 The price of Shares and CDIs is volatile

The Convertible Bonds are convertible into CDIs over Shares in Sigma. The market price for CDIs may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond Sigma's control, including but not limited to the following:

(a) actual or anticipated fluctuations in Sigma's results of operations;

(b) actual or anticipated fluctuations to the capital requirements of Sigma's properties;

(c) changes in estimates of the future results of operations by Sigma;

(d) changes in the economic, operating, performance or market valuations of other companies in the industry in which Sigma operates or of other companies that investors deem comparable to Sigma; and

(e) changes in general political, geopolitical, economic, industry and market conditions and trends.

Accordingly, the market price of the Shares and CDIs may decline even if Sigma's business, financial condition and results of operations or prospects have not changed. There can be no assurance that fluctuations in price and volume will not occur. If volatility and market turmoil continue for a protracted period of time, Sigma's business, financial condition and results of operations could be materially adversely impacted and the trading price of Shares and CDIs could also be materially adversely affected.

1.4.10 Material compliance costs associated with maintaining multiple listings

Sigma incurs material costs as a result of being a Canadian public company that has securities listed on the TSXV, Nasdaq and ASX. These costs include material legal, accounting, securities, reporting and other expenses necessary to remain compliant with the various requirements of each of those jurisdictions in which Sigma's securities are traded.

The demands associated with Sigma's securities being listed in each of these jurisdictions may disrupt regular operations of Sigma's business by diverting the attention of some of its senior management team away from revenue-producing activities to additional management and

administrative oversight, adversely affecting Sigma's ability to attract and complete business opportunities and increasing the difficulty in both retaining professionals and managing and growing its business. Any of these effects could harm Sigma's business, results of operations and financial condition.

As a public company with multiple listings, Sigma may incur significant costs to obtain and maintain director and officer liability insurance. Coverage may be unavailable, limited or subject to materially higher costs.

If Sigma's efforts to comply with applicable law and regulation are not successful, applicable legal and regulatory bodies or third parties may initiate legal proceedings against Sigma, and its business may be adversely affected.

1.4.11 Weaknesses in internal controls over financial reporting

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, recorded and reported and assets are safeguarded against unauthorized or improper use. A control system, no matter how well designed and operated, can provide only reasonable, and not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

Sigma has identified material weaknesses in its internal control over financial reporting. Its latest filed MD&A states that disclosure controls and procedures were not fully effective as a result of those weaknesses and that remediation efforts are ongoing.

Although Sigma is taking steps to remediate the weaknesses, there can be no assurance that those measures will be completed as planned or prove effective. The weaknesses create a reasonable possibility that a material misstatement of Sigma's annual or interim financial statements may not be prevented or detected on a timely basis.

In the event that Sigma is not able to remediate the material weaknesses or otherwise demonstrate that its internal control over financial reporting is adequate, or if it is unable to produce timely or accurate financial statements, Sigma could be subjected to litigation or investigations requiring management resources and payment of legal and other expenses and investors may lose confidence in Sigma's operating results and the price of its Shares may decline. In addition, if Sigma is unable to continue to meet these requirements, it may not be able to remain listed on Nasdaq.

1.4.12 Foreign private issuer status

As a foreign private issuer, Sigma is subject to different US securities laws and rules than a domestic US issuer, which may limit the information publicly available to its shareholders. Sigma is a "foreign private issuer" as such term is defined in Rule 405 under the US Securities Act of 1933, as amended, and is permitted, under a multijurisdictional disclosure system adopted by the United States and Canada, to prepare its disclosure documents filed under the US Securities Exchange Act of 1934, as amended ("**Exchange Act**"), in accordance with Canadian disclosure requirements. Under the Exchange Act, Sigma is subject to reporting obligations that, in certain respects, are less detailed and less frequent than those of US domestic reporting companies. As a result, Sigma will not file the same reports that a US domestic issuer would file with the SEC, although it will be required to file or furnish to the SEC the continuous disclosure documents that it is required to file in Canada under Canadian securities laws. In addition, Sigma's officers, directors, and principal shareholders are exempt from the reporting and "short-swing" profit recovery provisions of Section 16 of the Exchange Act. Therefore, Sigma's shareholders may not know on a timely basis when its officers, directors and principal shareholders purchase or sell Shares, as the reporting deadlines under the corresponding Canadian insider reporting requirements are longer.

1.4.13 Passive Foreign Investment Company status

Generally, if for any taxable year 75% or more of Sigma's gross income is passive income, or at least 50% of the average quarterly value of Sigma's assets is held for the production of, or produce, passive income, Sigma would be characterized as a passive foreign investment company ("**PFIC**") for US federal income tax purposes. Based on the current profile of Sigma's

gross income, gross assets, the nature of its business, and its anticipated market capitalization, Sigma believes that it was likely a PFIC for the 2025 taxable year. While it has not made a determination of expected PFIC status for the current taxable year, there is a risk that it may be a PFIC in the current taxable year and in the foreseeable future. If Sigma is characterized as a PFIC, Sigma's shareholders who are US holders may suffer adverse tax consequences, including the treatment of gains realized on the sale of the Shares as ordinary income, rather than as capital gain.

GLOSSARY

Annual Fee per Hectare means certain fee payments required by the ANM for exploration authorizations.

A10 Fund means A10 Investimentos Fundo de Investimento Financeiro em Ações.

ANM means the Brazilian national mining agency that regulates the conduct of exploration, development and mining operations in Brazil.

ASX means ASX Limited (ABN 98 008 624 691) or, as the case requires, the Australian Securities Exchange (being the financial market operated by it).

Board means the board of directors of Sigma.

CFEM means Financial Compensation for the Exploitation of Mineral Resources.

CIM Definitions means the CIM Definition Standards on Mineral Resources and Mineral Reserves adopted by the Canadian Institute of Mining, Metallurgy and Petroleum Council on May 19, 2014, as amended.

Company means Sigma Lithium Corporation (ARBN 700 090 302), a foreign company registered in its original jurisdiction of Ontario, Canada with Ontario Company Number (1001035419).

Convertible Bonds means the US$ fixed rate senior unsecured convertible bonds due 2031 to be issued by the Company.

Directors means a director of Sigma from time to time.

Exchange Act means the United States Securities Exchange Act of 1934, as amended.

FEAM means the State Environmental Foundation of Minas Gerais (Fundação Estadual do Meio Ambiente).

Grota do Cirilo means the Grota do Cirilo Lithium Project, Sigma's 100%-owned lithium project held through Sigma Brazil, located in the municipalities of Araçuaí and Itinga in the state of Minas Gerais, Brazil, comprising four properties (Grota do Cirilo, Genipapo, Santa Clara and São José) and consisting of 29 mineral rights spread over approximately 185 km².

Mineral Resource means, in accordance with the CIM Definitions, a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction.

Indicated Mineral Resource means that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of modifying factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit.

Inferred Mineral Resource means that part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling and geological evidence is sufficient to imply but not verify geological and grade or quality continuity.

Measured Mineral Resource means that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of modifying factors to support detailed mine planning and final evaluation of the economic viability of the deposit.

Mineral Reserves means, in accordance with the CIM Definitions, the economically mineable part of a Measured Mineral Resource and/or an Indicated Mineral Resource; it includes diluting materials and allowances for losses which may occur when the material is mined or extracted and is defined by studies at pre-feasibility or feasibility level as appropriate that include

application of modifying factors and such studies demonstrate that, at the time of reporting, extraction could reasonably be justified.

MPMG means the State Prosecutor's Office of Minas Gerais (Ministério Público do Estado de Minas Gerais).

Nasdaq means the Nasdaq Capital Market, as the context requires.

New Investment Canada Act Policy means the Canadian government policy relating to critical minerals and foreign investment that may result in limitations on the extent to which Sigma will be able to undertake business operations with certain parties and limitations on ownership and influence of certain parties in its business.

OBCA means the Business Corporations Act (Ontario), being the applicable statute governing Sigma's corporate affairs.

PFIC means passive foreign investment company.

Pre-Export Financing Agreement means the export prepayment agreement entered into on December 13, 2022 between Sigma Mineração S.A. and Synergy, as described in Sigma's unaudited interim financial statements for the six months ended June 30, 2026.

SEC means the US Securities and Exchange Commission.

Shares means ordinary fully paid voting common shares in the capital of Sigma.

Sigma means Sigma Lithium Corporation (ARBN 700 090 302), a foreign company registered in its original jurisdiction of Ontario, Canada with Ontario Company Number (1001035419).

Sigma Brazil means Sigma Mineração S.A.

Sigma Group means Sigma and its wholly owned subsidiaries, comprising Sigma, Sigma Lithium Holdings Inc., Sigma Mineração S.A. (Sigma Brazil) and Sigma Industrial de Lítio S.A.

Synergy means the counterparty to Sigma Mineração S.A.'s export prepayment agreement dated December 13, 2022.

TAC means the Conduct Adjustment Agreement (Termo de Ajustamento de Conduta) entered into between Sigma and the State of Minas Gerais on August 21, 2026.

TRF-6 means the Federal Regional Court of the 6th Region (Tribunal Regional Federal da 6ª Região).

TSXV means the TSX Venture Exchange.

US Securities Act of 1933 means the US Securities Act, or the United States Securities Act of 1933, as amended.

US Securities Exchange Act of 1934 means Exchange Act, or the United States Securities Exchange Act of 1934, as amended.