



**FIRST
LITHIUM**

QUARTERLY REPORT

For the period ending
30 June 2024

JUNE QUARTER HIGHLIGHTS

- Appointment of geological services group
- Further high grade Li_2O intersections identified at Blakala
- Metallurgical testwork progressing
- Completion of Rights Issue
- Renewal of exploration permits lodged with Mali Ministry of Mines
- Maiden Mineral Resource Estimate (MRE) expected in the current quarter
- As at 30 June 2024, Cash Balance of \$2.22m

First Lithium Limited (“FL1”, or “the Company”) is pleased to provide an update on its activities for the June 2024 quarter.

First Lithium Managing Director, Venkatesh Padala said:

“Identifying further high grade Li_2O intersections at Blakala, as well as the appointment of a geological services group, Pivot Mining Consultants, is a further great step forward for the Company. With metallurgical testwork progressing under their guidance and the Maiden Resource Estimate (MRE) expected soon, the quality, scale and scope of the project will be defined and released to the market in the coming months.

Looking ahead, once the maiden MRE is released, it is proposed a further expanded drilling exploration program will take place which is fully funded via the latest rights issue completed by FL1. In the nine short months since listing, the Company has achieved a great deal via completion of the exploration program, commencement of met work and extended funding, with the forthcoming definition of the project to create the base from which the Company will grow in the future”.

APPOINTMENT OF GEOLOGICAL SERVICES GROUP TO ADVANCE PROJECT

Pivot Mining Consultants were appointed to manage and conduct the maiden mineral resource estimate (MRE) in accordance with the guidelines of the JORC Code (2012), alongside the project's existing Competent Person, Kobus Badenhorst of GeoActiv Pty Ltd.

Pivot has extensive consulting experience having undertaken due diligence studies, mineral resource and reserve estimates and feasibility studies across many mineral resource projects worldwide. Pivot has commenced the MRE process, including assisting with guidance on all aspects of the exploration and reporting methods required for the estimate.

Pivot have allocated Rob Barnett, a professional with 40 years of experience, as the Competent Person for the MRE and he will be assisted by Ken Lomberg, a Pivot Director, who will undertake the resource modelling. Mr Lomberg advised that "Pivot was excited to be joining the First Lithium team and to provide specialist mining consulting services and operational support to the project".

BLAKALA ASSAYS IDENTIFIED FURTHER HIGH-GRADE Li_2O INTERSECTIONS

Assay results were announced on the 8th of April, for the fifteen (15) First Series diamond drill holes BDFS25 to BDFS39 and sixteen Second Series reverse circulation (RC) pre-collar holes BRCD01 to BRCD16 at the priority 1 lithium prospect at Blakala (Tables 1 and 2), located in the Gouna permit, Mali.

The high to very high-grade Li_2O results follow on from the excellent analytical results returned for the first 24 diamond drill holes, with the diamond holes drilled on the Main, Western and Eastern Pegmatite bodies at Blakala. The Second Series RC pre-collar holes were all drilled between the Western and Main pegmatite bodies (Figure 1), with the aim of the diamond tails intersecting the Main pegmatite body at ~100m below surface. Only results for the RC pre-collar portions of the holes drilled between the Western and Main Pegmatite drilling for the Main Pegmatite have been received (Table 2), with the well mineralised pegmatite intersections in the RC representing new intersected pegmatites.

Well mineralised pegmatites of 1.61% Li_2O over 11.78m intersection; 1.51% Li_2O over 19.00m intersection; and 1.66% Li_2O over 21.00m were identified in the Western pegmatite, while well mineralised pegmatite intersections of 1.32% Li_2O over 20.96m; 1.67% Li_2O over 27.30m; 1.33% Li_2O over 13.00m; 1.47% Li_2O over 9.68m; and 1.67% Li_2O over 5.00m.

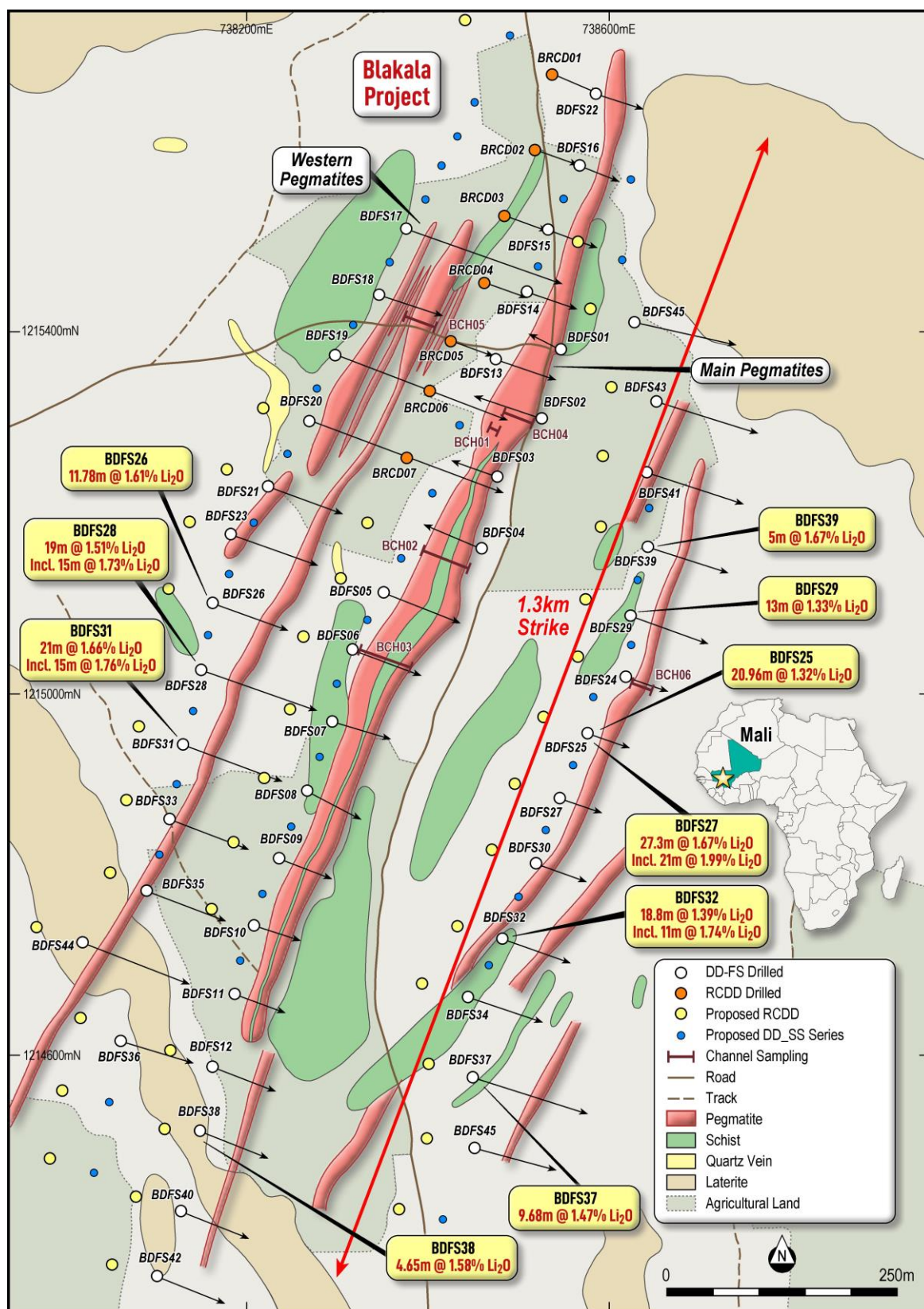


Figure 1: Locality and analytical results of Blakala diamond drill holes BDFS25 to BDFS39, as well as location of all reverse circulation precollar holes with diamond tails BRCD01 to BRCD42

METALLURGICAL TESTWORK

Metallurgical testwork is being progressed concurrently with the Company's maiden JORC resource. The metallurgical test work will determine lithium concentrate recovery rates at Blakala, the results of which are eagerly anticipated, to be able to compare to those of neighbouring Leo Lithium (ASX:LLL) who recently sold their project with a valuation of circa \$1.3b².

The metallurgical test work and mineral resource estimate processes are being managed by recently appointed geological services company Pivot Mining Consultants (Pty) Ltd in accordance with the guidelines of the JORC Code (2012). Pivot will also advise on all aspects of the proposed phase 2 drilling exploration project and reporting methods based on the pending MRE results for phase 1 of the project once received.

COMPLETION OF NON-RENOUNCABLE RIGHTS ISSUE

The offer made to eligible shareholders raised a total of \$2,160,435.82 (before costs) which will allow the Company to have sufficient operating capital to plan for a phase 2 drilling exploration program in Mali, expected to commence in Q3 this year. An additional shortfall balance of \$1,024,011 is available to be placed at the absolute discretion of the Directors and Lead Managers as required.

PERMIT RENEWAL APPLICATIONS LODGED

Permits for both Faraba and Blakala were lodged within the required timeframes and were acknowledged as received by the Mali Mines Department. Renewals are expected to be granted once the Mali Mines Department recommence formal renewal operations, something that has been on hold for sometime to allow for the adequate adoption of the new Mining Law. Our local team in Mali is managing the process with the Mali government.

TENURE STATUS

The following is a summary of the Exploration Permits and their associated Mining Convention (held in FL1's 100% owned subsidiary):

Exploration Permit	Exploration License	Holder	EL Validity		Status
Faraba	PR 1375/18	Intermin Lithium SARL	16/4/2018	16/4/2024	Active
Gouna	PR 1382/18	Intermin Lithium SARL	15/5/2018	15/5/2024	Active

Figure 1: FL1 Tenure status

CORPORATE

First Lithium had a cash balance of \$2.22m at 30 June 2024 and no debt. Exploration and evaluation expenditure incurred for the year to date was \$3.97m.

Related Party Transactions

Payments to related parties of the entities and their associates (refer section 6 of Appendix 5B):

- Included at section 6.1 – Comprises: Remuneration of Directors - \$112k
- Included at section 6.2 – Comprises: Remuneration of directors - Nil

Listing Rule 5.3.1 and 5.3.2

In accordance with ASX Listing Rule 5.3.1, the Company confirms that there have been no material developments or changes to its exploration activities, and provide the following information:

- Approximately \$819k was incurred by the Company in respect of exploration activity for the quarter ended 30 June 2024, primarily on:
 - Diamond and RC drilling program at the Blakala prospect, Mali; and
 - Laboratory assays, geological mapping and reconnaissance field work
- A summary of the specific exploration activities undertaken in the two permits held is included in this activity report.

In accordance with ASX Listing Rule 5.3.2, the Company advises that no Mining Development or Production activities were conducted during the quarter.

Listing Rule 5.3.4

The Company provides the following disclosures required by ASX regarding a comparison of actual expenditure to date since re-listing on 28 September 2023 against use of funds statement in the Prospectus dated 30 June 2023.

Expenditure	Funds Allocated under Prospectus	Actual to 30 June 2024	Variance	Note
	\$	\$	\$	
Exploration – Mali Lithium Project	4,732,782	4,195,762	(537,020)	1
Expenses of the Offers	560,000	248,862	(311,138)	2
Corporate and administration costs	650,000	1,147,250	497,250	3
Working capital	552,396	-	(552,396)	4
Capital raising	-	2,160,446	2,160,446	5
Capital raising costs	-	(16,533)	(16,533)	5
Total	6,495,178	5,441,288	(1,053,890)	

The Use of Funds table is a statement of current intentions, investors should note that the allocation of funds set out in the table may change depending on a number of factors including the results of exploration, outcome of development activities, regulatory developments and market and general economic conditions.

1. Exploration at the Mali Lithium Project is currently under the use of funds budget by \$537k. The variance is due to timing (use of funds being over a 24-month period).
2. Expenses of the offer is currently under the use of funds budget by \$311k. The variance was due to costs of the offer being over estimated and some budgeted costs being paid from existing cash reserves.
3. Corporate and administration costs include business running costs, director's fees and related party payments, ASX compliance costs and corporate expenses. Additional funds have been allocated to be spent for administration purposes due to an additional capital raising conducted during the 24-month period since re-listing on 28 September 2023.
4. Working capital is currently under the use of funds budget by \$552k. This is set aside as a reserve of funding for effective capital management.
5. In the June 2024 quarter, the Company completed a capital raising of \$2.16m (before costs) to advance exploration activities and provide working capital.

Ends-

The Board of Directors of First Lithium Ltd authorised this announcement to be given to the ASX.

Further information contact:

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Managing Director

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ABOUT FIRST LITHIUM

First Lithium (ASX code: FL1) is at the forefront of lithium exploration and sustainable development, focusing on pioneering projects like Blakala and Faraba in Mali. Our management team has significant in-country experience and specialist advisors with extensive lithium exploration and government relations expertise.

Our commitment goes beyond the pursuit of lithium riches; it's about powering tomorrow responsibly. We recognise the global demand for lithium and are dedicated to positively impacting local communities while ensuring environmentally sensitive practices.

Directors

Venkatesh Padala	Managing Director
Lee Christensen	Chairman
Andrew Law	Non-Executive Director
Jason Ferris	Non-Executive Director

Capital Structure

Shares on issue :	108,673,604
Options on issue:	a) 4,801,028 FL1O listed options B) 30,500,000 options with an exercise price of \$0.30 per option and an expiry of 28 September 2026 C) 1,800,000 lead manager options with an exercise price of \$0.40 per option and an expiry of 28 September 2027 (correct as included) D) 5,000,000 director options with an exercise price of \$0.282 per option and an expiry of 12 March 2028

Performance Rights:	15,000,000 performance rights, subject to certain milestones.
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Competent Persons Statement

Except where indicated, exploration results above have been reviewed and compiled by Mr Kobus Badenhorst, a Competent Person who is a Member of SACNASP and the South African Geological Society (GSSA), with over 26 years of experience in metallic and energy mineral exploration and development, and as such has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Badenhorst is the Managing Director of GeoActiv Dynamic Geological Services and consents to the inclusion of this technical information in the format and context in which it appears.

Cautionary Statement – Visual Estimates

This announcement contains references to visual results and visual estimates of mineralisation. FL1 advises there is uncertainty in reporting visual results. Visual estimates of mineral findings should not be considered a substitute for laboratory analysis where concentrations or grades are provided with scientific accuracy. Visual estimates also potentially provide no information regarding impurities or other factors relevant to mineral result valuations. The presence of pegmatite rock does not necessarily indicate the presence of Lithium mineralisation. Laboratory chemical assays are required to determine the grade of mineralisation.

Forward-Looking Statements

This announcement contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties.

These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the Company's management.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur, and investors are cautioned not to place undue reliance on these forward-looking statements.

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

These forward-looking statements are subject to various risk factors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements.

Appendix 5B

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

Name of entity

FIRST LITHIUM LIMITED

ABN

67 009 081 770

Quarter ended ("current quarter")

30 June 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	-	(1,225)
	(b) development	-	-
	(c) production	-	-
	(d) board remuneration	(88)	(455)
	(e) administration and corporate costs	(330)	(1,045)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	1	28
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (Transaction costs)	-	(409)
1.9	Net cash from / (used in) operating activities	(417)	(3,106)
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation (if capitalised)	(819)	(2,747)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (Net cash balance of acquired entities)	-	17
2.6	Net cash from / (used in) investing activities	(819)	(2,730)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,160	4,160
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(17)	(26)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	3	3
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (Proceeds from unissued unsecured convertible note)	-	-
3.10	Net cash from / (used in) financing activities	2,146	4,137

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,308	3,977
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(417)	(3,106)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(819)	(2,730)

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,146	4,137
4.5	Effect of movement in exchange rates on cash held	(2)	(62)
4.6	Cash and cash equivalents at end of period	2,216	2,216

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,201	1,293
5.2	Call deposits	15	15
5.3	Bank overdrafts	-	-
5.4	Other (held by share registry)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,216	1,308

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	112
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments		

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

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(417)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(819)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(1,236)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	2,216
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	2,216
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	1.8

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

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

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

Answer: Following the payment of final Phase 1 drilling invoices, the focus for the next quarter is on delivering the maiden JORC resource at Blakala. As such, the net outflows will be greatly reduced until such time as drilling recommences later this year.

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

Answer: Around \$1m proceeds (before costs) related to the Entitlement Offer not taken under the Rights Issue are anticipated to be received in the following quarter upon completion of the Shortfall Offer.

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

Answer: Yes, in accordance with its responses to 8.8.1 & 8.8.2.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 July 2024

Authorised by: By the Board of First Lithium Limited
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.