



29 April 2021

STATEMENT OF CAPITAL STRUCTURE

Global Lithium Resources Limited (ACN 626 093 150) (**Company**) is pleased to confirm that following the issue of securities pursuant to the Company's prospectus dated 22 March 2021 (**Prospectus**), the capital structure of the Company is as set out below.

Capitalised terms in this announcement have the same meaning given in the Prospectus unless otherwise stated.

Shares	Number
Shares on issue at date of Prospectus	81,408,339
Shares issued under the Public Offer	50,000,000
Shares issued to Great Sandy Pty Ltd	400,000
TOTAL	131,808,339

Options	Number
Options on issue at date of Prospectus	Nil
Options issued to the Lead Manager and its nominees ¹	4,780,614
TOTAL	4,780,614

Note 1 – refer to Schedule A for the full terms of these Options.

Performance Rights	Number
Performance Rights on issue at date of Prospectus	Nil
Performance Rights issued to the directors ¹	5,000,000
TOTAL	5,000,000

Note 1 – refer to Schedule B for the full terms of these Performance Rights.

RESTRICTED SECURITIES

The Company confirms that following admission of the Company's securities to Official Quotation on ASX, the following securities will be subject to restriction pursuant to the ASX Listing Rules for the period outlined below.

Class	Number	Restriction Period
Shares	42,432,443	24 months from date of official quotation of the Company's securities
Shares	400,000	Until 27 April 2022
Options	4,780,614	24 months from date of official quotation of the Company's securities
Performance Rights	5,000,000	24 months from date of official quotation of the Company's securities

VOLUNTARY ESCROW

The Company confirms that following admission of the Company's securities to Official Quotation on ASX, the following securities will be subject to voluntary escrow for the period outlined below.

Class	Number	Restriction Period
Shares	18,647,295	12 months from date of official quotation of the Company's securities

For more information regarding this announcement please contact:

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Authorised for release by the board of Global Lithium Resources Limited.

SCHEDULE A – OPTIONS

(a) **Entitlement**

Each Broker Option entitles the holder to subscribe for one (1) Share upon exercise of the Option.

(b) **Exercise Price**

The amount payable upon exercise of each Broker Option will be \$0.30 (**Exercise Price**).

(c) **Expiry Date**

Each Broker Option will expire at 5:00 pm (WST) on the date which is four years from the date that the Company is admitted to the Official List of the ASX (**Expiry Date**). A Broker Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Broker Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Broker Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Broker Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Broker Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 5 Business Days after the latter of the following:

- (i) Exercise Date; and
- (ii) When excluded information in respect to, the Company (as defined in section 708A(7) of the Corporations Act) (if any) ceases to be excluded information,

but in any case, not later than 20 Business Days after the Exercise Date, the Company will:

- (iii) issue the number of Shares required under these terms and conditions in respect of the number of Broker Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

- (iv) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (v) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Broker Options.

If a notice delivered under 11.3(g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Broker Options rank equally with the then issued shares of the Company.

(i) **Quotation of Shares issued on exercise**

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Broker Options.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the Broker Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Broker Options without exercising the Broker Options.

(l) **Change in exercise price**

A Broker Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Broker Option can be exercised.

(m) **Transferability**

The Broker Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE B – PERFORMANCE RIGHTS

The terms and conditions of the Performance Rights issued by the Company are set out below:

- (a) **(Performance Milestone Conditions and Expiry Dates):** The Performance Rights shall be subject to the following **Performance Milestone Conditions** and shall have the following **Expiry Dates**:

Tranche	Proportion of Performance Rights held by holder	Performance Milestone Condition	Expiry Date
Tranche 1	One third	The Company achieving between 15-25Mt of Inferred, Indicated and/or Measured Resources at a minimum grade of 1.0% Li₂O, reported in accordance with the JORC Code 2012 by 31 December 2022 or earlier, where the number of Tranche 1 Performance Rights that convert is determined using the following formula: $N = [(RmT - 15mT)/10] \times PR$ Where: N = the number of Tranche 1 Performance Rights which shall convert to Shares; RmT = the amount of Inferred, Indicated and/or Measured Resources at a minimum grade of 1.0% Li₂O, reported in accordance with the JORC Code 2012 (to be capped at 25mT); PR = the number of Tranche 1 Performance Rights held.	31 December 2022
Tranche 2	One third	The Company achieving between 30-50Mt of Inferred, Indicated and/or Measured Resources at a minimum grade of 1.0% Li₂O, reported in accordance with the JORC Code 2012 by 31 December 2023 or earlier, where the number of Tranche 2 Performance Rights that convert is determined using the following formula:	31 December 2023

Tranche	Proportion of Performance Rights held by holder	Performance Milestone Condition	Expiry Date
		$N = [(RmT - 30mT)/20] \times PR$ Where: N = the number of Tranche 2 Performance Rights which shall convert to Shares; RmT = the amount of Inferred, Indicated and/or Measured Resources at a minimum grade of 1.0% Li₂O, reported in accordance with the JORC Code 2012 (to be capped at 50mT); PR = the number of Tranche 2 Performance Rights held.	
Tranche 3	One third	The Company achieving a volume weighted average Share price over 30 consecutive trading days of at least \$0.40 by 31 December 2023 or earlier.	31 December 2023

The satisfaction of the tranche1 milestone and tranche 2 milestone be verified by an independent competent person under the JORC Code 2012.

- (b) **(Notification to holder):** The Company shall notify the holder in writing when the relevant Performance Milestone Condition has been satisfied.
- (c) **(Conversion):** Subject to paragraph (q), upon satisfaction of the applicable Performance Milestone Condition, and the issue of the notice referred to in paragraph (b) above, each Performance Right at the election of the holder convert into one Share. Conversion of Performance Rights can be made by the holder providing a Notice of Conversion to the Company Secretary.
- (d) **(Change of Control)** In the circumstance of a Change of Control occurring, the relevant Performance Milestone Condition is deemed to be automatically satisfied and each Performance Right will, at the election of the holder, convert into one Share.
- (e) **(Lapse of a Performance Rights):** Any Performance Right that has not been converted into a Share prior to the Expiry Date specified in paragraph (a) will automatically lapse.
- (f) **(Fraudulent or dishonest action):** If a holder ceases to be an employee or Director of the Company in circumstances where the cessation or termination is

specifically referenced to the holder having been found to have acted fraudulently or dishonestly in the performance of his or her duties, then:

- (i) the Board must deem any Performance Rights of the holder to have immediately lapsed and be forfeited; and
- (ii) any Performance Rights that have vested will continue in existence in accordance with their terms of issue only if the relevant Performance Milestone Conditions have previously been met, and any Shares issued on satisfaction of the applicable Performance Milestone Conditions will remain the property of the holder.

(g) **(Ceasing to be an employee or Director):** If a holder ceases to be an employee or Director of the Company in circumstances where the cessation or termination arises because the holder:

- (i) voluntarily resigns his or her position (other than to take up employment with a subsidiary of the Company);
- (ii) wilfully breaches the terms of the engagement of the holder or any policy of the Company's published policies regulating the behaviour of holder;
- (iii) is convicted of a criminal offence which, in the reasonable opinion of the Company, might tend to injure the reputation or the business of the Company; or
- (iv) is found guilty of a breach of the Corporations Act and the Board considers that it brings the holder or the Company into disrepute,

then:

- (v) unless the Board decides otherwise in its absolute discretion, any unvested Performance Rights of the holder will be deemed to have immediately lapsed and be forfeited; and
- (vi) in relation to any Performance Rights that have vested, those Performance Rights will continue in existence in accordance with their terms of issue only if the relevant Performance Milestone Conditions have previously been met and any Shares issued on satisfaction of the applicable Performance Milestone Conditions will remain the property of the holder.

(h) **(Other circumstances):** The Performance Rights will not lapse and be forfeited where the holder ceases to be an employee or Director of the Company for one of the following reasons:

- (i) death or total permanent disability (in respect of total permanent disability being that because of a sickness or injury, the holder is unable to work in his or her own or any occupation for which they are suited by training, education, or experience for a period beyond one year);
- (ii) redundancy (being where the holder ceases to be an employee or Director due to the Company no longer requiring the holder's position to be performed by any person); or
- (iii) any other reason, other than a reason listed in rules (f) and (g) (not including (g)(i), in which case the Board may exercise its absolute

discretion to allow the resigned to retain their Performance Right), that the Board determines is reasonable to permit the holder to retain his or her Performance Rights,

and in those circumstances the Performance Rights will continue to be subject to the applicable Performance Milestone Conditions.

- (i) **(Share ranking)**: All Shares issued upon the conversion of Performance Rights on satisfaction of the applicable Performance Milestone Condition will upon issue rank pari passu in all respects with other Shares.
- (j) **(Application to ASX)** The Performance Rights will not be quoted on ASX. The Company must apply for the official quotation of a Share issued on conversion of a Performance Right on ASX within the time period required by the ASX Listing Rules.
- (k) **(Timing of issue of Shares on Conversion)**: Within 10 Business Days after date that Performance Rights are converted, the Company will:
 - (i) issue the number of Shares required under these terms and conditions in respect of the number of Performance Rights converted;
 - (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the conversion of the Performance Rights.

If a notice delivered under (k)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

- (l) **(Transfer of Performance Rights)**: The Performance Rights are not transferable.
- (m) **(Participation in new issues)** A Performance Right does not entitle a holder (in their capacity as a holder of a Performance Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.
- (n) **(Reorganisation of capital)** If at any time the issued capital of the Company is reconstructed, all rights of a holder will be changed in a manner consistent with the applicable ASX Listing Rules and the Corporations Act at the time of reorganisation.
- (o) **(Adjustment for bonus issue)** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of Shares or other securities which must be issued on the conversion of a Performance Right will be increased by the number of Shares or other securities which the holder would

have received if the holder had converted the Performance Right before the record date for the bonus issue.

- (p) **(Dividend and Voting Rights):** The Performance Rights do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.
- (q) **(Deferral of conversion if resulting in a prohibited acquisition of Shares):** If the conversion of a Performance Right would result in any person being in contravention of section 606(1) of the *Corporations Act 2001* (Cth) (**General Prohibition**) then the conversion of that Performance Right shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Right would result in a contravention of the General Prohibition:
 - (i) holders may give written notification to the Company if they consider that the conversion of a Performance Right may result in the contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition;
 - (ii) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (q)(i) within seven days if the Company considers that the conversion of a Performance Right may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition.
- (r) **(No rights to return of capital)** A Performance Right does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.
- (s) **(Rights on winding up)** A Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.
- (t) **(Tax Deferral)** For the avoidance of doubt, Subdivision 83A-C of the Income Tax Assessment Act 1997, which enables tax deferral on performance rights, applies (subject to the conditions in that Act) to the Performance Rights.
- (u) **(No other rights)** A Performance Right gives the holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.
- (v) **(ASX Listing Rule compliance):** The Board reserves the right to amend any term of the Performance Rights to ensure compliance with the ASX Listing Rules or any requirement of ASX.