

## LOTUS COMMENCES PROCESS TO INCREASE ITS OWNERSHIP OF THE KAYELEKERA PROJECT

**Lotus Resources Limited (LOT, Lotus or the Company)** is pleased to announce that, following feedback from shareholders, it has commenced a process to increase its ownership of the Kayelekera Uranium Project (**Project**).

The Project is currently owned, indirectly, 65% by Lotus, 15% by the Government of Malawi and 20% by Kayelekera Resources Pty Ltd (**KRPL**), an entity controlled by Lotus Director, Mr Grant Davey.

Pursuant to its shareholders agreement with KRPL, Lotus has the right, at any time, to acquire all of KRPL's shares in Lily Resources Pty Ltd (**Buy-Out Right**) – the incorporated joint venture between KRPL and Lotus – for an agreed, or independently determined, price.

Lotus intends to exercise the Buy-Out Right and has formed an independent committee of the Lotus Board to manage the implementation of the acquisition. Completion of the acquisition will require the approval of Lotus shareholders.

Following the completion of the acquisition, Lotus will hold an 85% interest in the Project and the Government of Malawi 15%.

This announcement has been authorised for release by the Company's board of directors.

For further information, contact:

**Keith Bowes**

Managing Director

T: +61 (08) 9278 2441 (Australia)

**Adam Kiley**

Business Development

T: +61 (08) 9278 2441 (Australia)



## ABOUT LOTUS

Lotus owns a 65% interest in the Kayelekera Uranium Project in Malawi. The Project hosts a current resource of 37.5M lbs U<sub>3</sub>O<sub>8</sub> (see Table 1), and historically produced ~11Mlb of uranium between 2009 and 2014. The Company completed a positive Restart Study<sup>1</sup> which demonstrated that Kayelekera can support a viable long-term operation and has the potential to be one of the first uranium projects to recommence production in the future.

**Table 1. Kayelekera Mineral Resource Estimate – March 2020<sup>2</sup>**

Category	Mt	Grade (U <sub>3</sub> O <sub>8</sub> ppm)	U <sub>3</sub> O <sub>8</sub> (M kg)	U <sub>3</sub> O <sub>8</sub> (M lbs)
Measured	0.7	1,010	0.7	1.5
Measured – RoM Stockpile <sup>3</sup>	1.6	760	1.2	2.6
Indicated	18.7	660	12.3	27.1
Inferred	3.7	590	2.2	4.8
<b>Total</b>	<b>24.6</b>	<b>660</b>	<b>16.3</b>	<b>36.0</b>
Inferred – LG Stockpiles <sup>4</sup>	2.4	290	0.7	1.5
<b>Total All Materials</b>	<b>27.1</b>	<b>630</b>	<b>17.0</b>	<b>37.5</b>

For more information, visit [www.lotusresources.com.au](http://www.lotusresources.com.au)

<sup>1</sup> See ASX announcement 20 October 2020. Lotus confirms that all material assumptions underpinning the production target and forecast financial information included in that announcement continue to apply and have not materially changed.

<sup>2</sup> See ASX announcement dated 26 March 2020. Lotus confirms that it is not aware of any new information or data that materially affects the information included in the announcement of 26 March 2020 and that all material assumptions and technical parameters underpinning the Mineral Resource estimate in that announcement continue to apply and have not materially changed.

<sup>3</sup> RoM stockpile has been mined and are located near mill facility.

<sup>4</sup> Medium-grade stockpiles have been mined and placed on the medium-grade stockpile and are considered potentially feasible for blending or beneficiation, with studies planned to further assess this optionality.

