ACN 665 528 307

20 November 2024

**STATEMENT OF CONFIRMATIONS**

Fulcrum Lithium Ltd (ACN 665 528 307) (ASX: FUL) (**Company** or **Fulcrum**) provides the following confirmations to satisfy conditions for admission of the Company's securities to quotation on ASX.

Capitalised terms used in this announcement have the meaning given in the Prospectus (defined below) unless the context otherwise requires.

**1. COMPLETION OF THE PUBLIC OFFER**

The Company confirms that all conditions to the Offer under the prospectus prepared by the Company and lodged with ASIC on 21 August 2024, as varied by the supplementary prospectus dated 18 October 2024 (**Prospectus**) have been satisfied, the Offer closed on 12 November 2024, and the Company has issued 48,500,000 Shares under the Offer, raising $9,700,000.

The Company also confirms it has issued:

(a) 2,000,000 Performance Rights to Peter J. Nightingale (or his nominee); and

(b) 1,000,000 Performance Rights to Anthony Sgro (or his nominee).

**2. REPAYMENT OF LOAN FACILITY**

The Company confirms that the full $1,000,000 owing to Norman A. Seckold (or his nominee) under the Loan Facility Agreement has been repaid by the Company in full.

**3. REPAYMENT OF APPLICATION MONIES UNDER PROSPECTUS**

The Company confirms that the application monies received by Fulcrum from the applicants under the original prospectus dated 21 August 2024 have been repaid in full without interest.

**4. STATEMENT OF COMMITMENTS**

The Company intends to apply funds based on the actual amount raised under the Offer, over the first two years following admission of the Company to the Official List of ASX as follows:

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| USE OF FUNDS FROM THE OFFER | OFFER PROCEEDS OF $9,700,000 | |
|---|---|---|
| | $ | % |
| Funds available | | |
| Cash on hand (reviewed as at 30 June 2024)[1] | 55,785 | 0.57 |
| Funds from the Offer | 9,700,000 | 99.43 |
| **Total funds available** | **9,755,785** | **100.00** |
| Expenses of the Offer[2,3] | 807,923 | 8.28 |
| Repayment of Loan Facility[3] | 1,000,000 | 10.25 |
| Exploration/drilling program expenditure[3,4] – year 1 | 2,060,077 | 21.12 |
| Exploration/drilling program expenditure[4] – year 2 | 4,786,000 | 49.06 |
| Working capital[5] | 800,000 | 8.20 |
| **Total expenditure** | **9,454,000** | **96.91** |
| **Total funds available – end of year 2** | **301,785** | **3.09** |

**Notes:**

1. As at the date of the Supplementary Prospectus the Company had a cash balance of approximately $21,000.
2. Total expenses of the Offer will be funded from the proceeds of the Offer. Refer to section 14.3 of the Supplementary Prospectus for a breakdown of these expenses.
3. The Company has entered into a loan facility agreement with Norman A. Seckold whereby Norman A. Seckold (or his nominee) agreed to make a loan facility in the amount of $1,000,000 available to the Company (**Loan Facility**). The Company has drawn the full $1,000,000 available under the Loan Facility for the purpose of paying the annual BLM fees that were due on 1 September 2024, which totalled $815,923, and other expenses of the Offer which totalled $184,077. Accordingly, Exploration/drilling program expenditure – year 1 has been reduced by the amount paid ($815,923) and Expenses of the Offer has been reduced by the amount paid ($184,077) and funds from the Offer will be used for Repayment of the Loan Facility ($1,000,000).
4. The exploration and drilling program expenditure is in respect of areas which are the subject of granted tenements and includes rental payments. It is the Company's intention to undertake exploration and drilling programs to achieve results as soon as practicable and, subject to encouraging results being obtained, to delineate a JORC Code compliant mineral resource estimate. The Company may seek to raise additional funds within 2 years after listing on the ASX to the extent required to increase and accelerate exploration and drilling programs. Refer to section 13.2 of the Supplementary Prospectus for a summary of the proposed exploration programs at the Projects.
5. Working capital expenditure is to be applied towards administration costs associated with the Company. These costs include wages and salaries, occupancy costs, professional consultant's fees, compliance and reporting costs associated with running an ASX listed company, as well as other typical administration costs. It is anticipated that funds available as unallocated working capital may be applied to any contingency resulting in the unforeseen expenses associated with the Company's Projects and also towards expenses incurred in identifying and generating new mineral exploration projects or assets.

The use of funds set out above represents the Company's current intentions based upon its present plans and business conditions. The amounts and timing of the actual expenditures may vary significantly and will depend upon numerous factors, including the timing and success of the Company's exploration efforts. It is anticipated that the funds raised under the Offer will enable two years of full operations.

## 5. CAPITAL STRUCTURE

The current capital structure of the Company is set out below.

| | OFFER PROCEEDS OF $9,700,000 | |
|---|---|---|
| | SHARES | % (UNDILUTED) |
| Fully paid ordinary shares on issue prior to the Offer | 82,600,005 | 63.01 |
| Fully paid ordinary shares issued under the Offer | 48,500,000 | 36.99 |
| **Total Shares currently on issue** | **131,100,005** | **100.00%** |

| | PERFORMANCE RIGHTS (NUMBER) |
|---|---|
| **Total Performance Rights currently on issue** | **3,000,000** |

## 6. RESTRICTED SECURITIES

The Company confirms that the following securities will be subject to restrictions pursuant to the ASX Listing Rules or voluntary escrow for the periods outlined below.

| CLASS | NUMBER | TYPE | RESTRICTION PERIOD |
|---|---|---|---|
| Shares | 55,600,005 | ASX escrow | 24 months from the date of quotation |
| Performance Rights | 3,000,000 | ASX escrow | 24 months from the date of quotation |
| Shares | 27,000,000 | Voluntary escrow | Until 1 June 2025 |

As set out above, a total of 82,600,005 Shares and 3,000,000 Performance Rights will be subject to escrow (either ASX imposed or voluntary) for the time periods specified above.

None of the Shares issued under the Offer are subject to escrow restrictions.

## 7. NO IMPEDIMENTS

The Company confirms that that there are no legal, regulatory, statutory or contractual impediments to the Company entering and carrying out exploration activities at the Alkali Flats, Fairway and Summit lithium projects such that the Company will be able to spend its cash in accordance with its commitments for the purposes of Listing Rule 1.3.2(b).

## 8. UPDATED PRO-FORMA STATEMENT OF FINANCIAL POSITION

Below is the updated pro-forma statement of financial position based on the actual amount of funds ($9,700,000) raised under the Offer.

| | | | OFFER PROCEEDS OF $9,700,000 | |
|---|---|---|---|---|
| | 30 JUNE 2024 UNAUDITED | SUBSEQUENT EVENTS 30 JUNE 2024 UNAUDITED | PRO FORMA ADJUSTMENTS 30 JUNE 2024 UNAUDITED | PRO FORMA 30 JUNE 2024 UNAUDITED |
| | $ | $ | $ | $ |
| **Assets** | | | | |
| **Current assets** | | | | |
| Cash and cash equivalents | 55,785 | 184,077 | 7,912,272 | 8,152,134 |
| Other assets | 211,088 | - | (204,272) | 6,816 |
| **Total current assets** | **266,873** | **184,077** | **7,708,000** | **8,158,950** |
| **Non-current assets** | | | | |
| Exploration and evaluation expenditure | 2,642,274 | 815,923 | - | 3,458,197 |
| Other financial assets | 18,851 | - | - | 18,851 |
| **Total non-current assets** | **2,661,125** | **815,923** | **-** | **3,477,048** |
| **Total Assets** | **2,927,998** | **1,000,000** | **7,708,000** | **11,635,998** |
| **Liabilities** | | | | |
| **Current liabilities** | | | | |
| Trade and other payables | 107,676 | - | - | 107,676 |
| Borrowings | - | 1,000,000 | (1,000,000) | - |
| **Total current liabilities** | **107,676** | **1,000,000** | **(1,000,000)** | **107,676** |
| **Total Liabilities** | **107,676** | **1,000,000** | **(1,000,000)** | **107,676** |
| **NET ASSETS** | **2,820,322** | **-** | **8,708,000** | **11,528,322** |
| **Equity** | | | | |
| Issued capital | 3,872,103 | - | 8,968,899 | 12,841,002 |
| Foreign currency translation reserve | (9,121) | - | - | (9,121) |
| Accumulated losses | (1,042,660) | - | (260,899) | (1,303,559) |
| **TOTAL EQUITY** | **2,820,322** | **-** | **8,708,000** | **11,528,322** |

## 9. WAIVERS GRANTED TO FULCRUM

The Company has received a waiver from the requirements of ASX Listing Rule 1.1 condition 12 as detailed in Annexure A of this announcement.

This ASX Announcement has been authorised for release by the Board of Fulcrum Lithium Ltd.

## ANNEXURE A – WAIVER DECISION – LISTING RULE 1.1 CONDITION 12

### 1.1 Waiver Decision

(a) Based solely on the information provided, ASX Limited ('ASX') grants Fulcrum Lithium Ltd (the 'Company') a waiver from Listing Rule 1.1 condition 12 to permit the Company to have on issue the 3,000,000 performance rights with a nil exercise price subject to performance-based vesting conditions proposed to be issued to directors of the Company ('Performance Rights') on condition that the full terms and conditions of the Performance Rights are clearly disclosed in the Company's initial public offering prospectus ('Prospectus').

(b) ASX has considered Listing Rule 1.1 condition 12 only and makes no statement as to the Company's compliance with other listing rules.

### 1.2 Basis for Waiver Decision

(a) If an entity seeking admission to the official list has options or performance rights on issue, the exercise price for each underlying security must be at least 20 cents in cash. This rule supports listing rule 2.1 condition 2 which requires the issue price or sale price of all securities for which an entity is seeking quotation (except options) upon admission to the official list to be at least 20 cents in cash. These requirements together support the integrity of the ASX market, as they demonstrate that the entity's ordinary securities have a minimum value suitable for a listed entity.

### 1.3 Facts/Reasons for granting waiver

(a) ASX has provided the Company confirmation that the full terms of the proposed Performance Rights are appropriate and equitable for the purposes of Listing Rule 6.1. This waiver is a companion to that confirmation.

(b) ASX has considered Listing Rule 1.1 condition 12 only and makes no statement as to the Company's compliance with other listing rules.