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CleanTech Lithium PLC
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CleanTech Lithium PLC ("CleanTech Lithium" or the "Company")
Operations and Corporate Update

CleanTech Lithium PLC (AIM:CTL), an exploration and development company advancing the next generation of sustainable lithium projects in Chile, announces an operations and corporate update including progress achieved during a recent Board visit to Chile, in which very positive meetings were held with Chilean Government representatives, and on other activities as the Company maintains progress towards the expected commencement of lithium production in 2025.

Highlights:

Operations:

- Laguna Verde:
  - Resource drilling commenced at LV06 on 23 November 2022, installation of metal casing over the upper 42m has been completed successfully
  - A second rig has been mobilised so drilling at LV06 and LV05 can proceed concurrently
  - Updated JORC resource estimate remains on track for the end of Q1 2023
  - Scoping Study to be reported to the market in the coming weeks
  - Pre-Feasibility Study ("PFS") quotes received from two leading international consultants, appointment to be confirmed this month and work to commence immediately afterwards. Plan to complete PFS in H2 2023
- Francisco Basin:
  - Resource drilling - improvement to access road underway which will be followed by establishment of the camp and commencement of drilling by month end
  - Scoping Study underway, expected to be completed in Q1 2023
  - Updated JORC resource estimate from wells FB02, FB03 and FB04 expected by the end of H1 2023
- Llamara:
  - Granting of licences is in the final stages, having complied with all the relevant court requirements, plan to commence drilling in early Q1 2023 once licences have been granted
- Direct Lithium Extraction ("DLE") Pilot Plant:
  - Lab scale DLE demo unit delivered to Copiapo, Chile, being set up with the assistance of the DLE processing partner, SunResin
  - Pilot plant DLE unit, a component of a full pilot plant to produce 1 tonne per month of battery grade lithium as carbonate and hydroxide, has been ordered from SunResin's facilities in Belgium. Installation and commissioning expected in Q2 2023
- Expansion of operational team in Chile and plan to open an office in Copiapo as the operational centre for the Company in the coming weeks.

Board Visit to Chile:

- Visits made to both sites at Laguna Verde and Francisco Basin to meet the drilling crews and see the ongoing drilling of well LV06 at Laguna Verde
- Very positive meetings held with key central and regional authorities to promote CleanTech Lithium and seek cooperation towards the Company's plan to commence production at Laguna Verde in 2025, including discussions on progressing the production permit (CEOL) applications
- Meeting held with SunResin representatives in Santiago to agree the forward programme on the Company's plan to commence construction of the first 20,000 tonne per annum lithium carbonate/hydroxide production facility at Laguna Verde in 2024 - with SunResin confirming the plant can be delivered to the Shanghai port within eight months of being ordered.

Commenting, Aldo Boitano, Chief Executive Officer, of Cleantech Lithium PLC, said: *"We are delighted to see significant progress being made on many fronts. Our drilling campaign at Laguna Verde has re-commenced and mobilisation to Francisco Basin is expected very shortly. We intend to announce the results of the Laguna Verde Scoping Study in the very near future and commence the PFS soon after.*

"The recent Board visit involved positive meetings with key Government and regional representatives, all of whom expressed support for the Company's objective to produce battery grade lithium in a relatively short timescale and in a sustainable manner. They were pleased to see the Company employing increasing numbers of locals and promoting the Company's green credentials with local communities. An office will be opened in Copiapo which will further facilitate this engagement.

"Finally, we had a very positive meeting in Santiago with our DLE processing partner, SunResin, who have already delivered DLE plants in various countries and are working with the Company on our pilot plant. We feel reassured that they will be able to work towards our expected schedule to deliver the facilities required to commence lithium production from our projects in 2025 and we look forward to working with SunResin as a long-term commercial partner, delivering our pilot plant in the near-term."

Further Information:

Operations:

Laguna Verde

At Laguna Verde the focus of the current exploration season is to complete wells LV05 and LV06, the locations of which are shown in Figure 1. Access roads to the wells and the establishment of the drilling camp were completed in November 2022. The wells are drilled with a ´pre-well´ drill rig which uses a wide diameter 20-inch drill for the upper approximately 50m. A 14-inch steel casing is inserted to stabilise the upper well before a 10-inch diameter reverse circulation drill is used to drill to depth. The well is then cased to depth with 8-inch PVC casing included slotted casing over the aquifer zone.

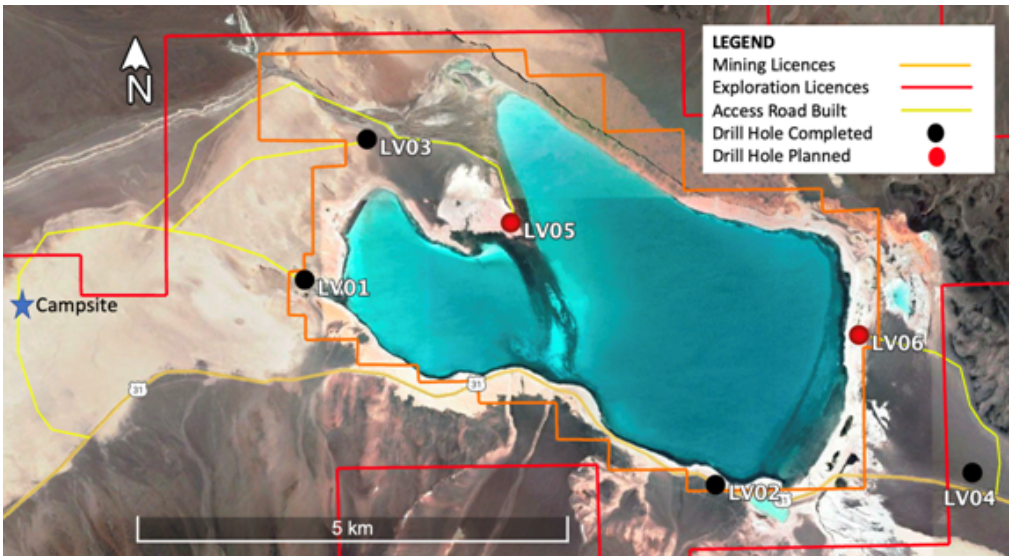


Figure 1: Laguna Verde Drill Plan Map

LV05 and LV06 well sites are important locations with respect to the Laguna Verde resource model, aligning with the deepest sections of the model and being most representative of the sub-surface resource directly beneath the footprint of the Laguna. LV05 is located closer to the eastern margin of the Laguna than the well LV03 completed in 1H 2022, where samples collected at depth recorded lithium grades of up to 409mg/L. On successful completion and development of the wells, they will also be used as the primary pump test wells for key hydrogeological test-work.

The drilling of LV06 commenced on 23 November 2022, encountered a brine aquifer at 12 metres. The upper 42m of the well has been cased with steel casing. The pre-well drill rig has now been mobilised to the site of LV05, and a second reverse circulation drill rig has been mobilised to LV06 to drill the well to depth and allow for both wells to proceed simultaneously. The wells are expected to be completed in January 2023, with results and an updated JORC resource estimate expected by the end of Q1 2023.

Feasibility studies continue to progress with the Laguna Verde Scoping Study to be reported to the market in the coming weeks while quotes have been received from two leading international consultants for the undertaking of a PFS. The PFS appointment is expected to be confirmed this month and work will commence immediately after. The PFS is planned to be completed in Q3 2023.

Francisco Basin

At Francisco Basin the focus of the current exploration season is to complete wells FB02, FB03 and FB04, the locations of which are shown in Figure 2. FB01 was completed in 1H 2022 and formed the basis for the JORC Inferred resource estimate of 0.51 million tonnes of Lithium Carbonate Equivalent ("LCE"). The aquifer intersected at FB01 is interpreted to extend to the locations of FB02, FB03 and FB04. The Chilean winter period recorded unusually heavy snowfall in the region which impacted the mining haul road that connects to Francisco Basin, as opposed to the paved international highway that connects to Laguna Verde, necessitating road works which are currently underway.

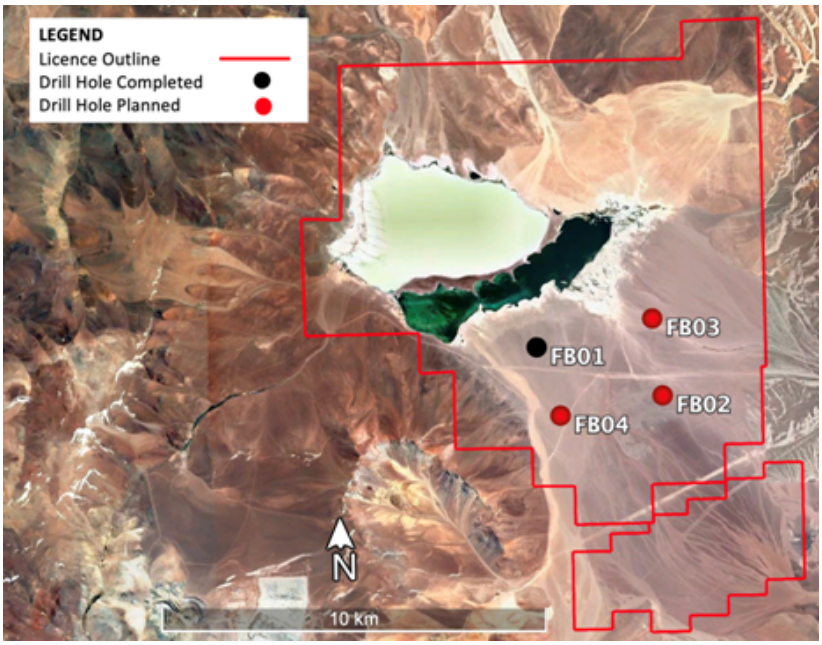


Figure 2: Francisco Basin Drill Plan Map

The Company expects the roadworks to be completed within 10 days, followed by camp and drill rig mobilisation which would allow for the commencement of drilling by month end. Prior to the winter break, well FB02 was drilled to a depth of 102m with steel casing installed in the upper 51m. The three wells are expected to be completed in early Q2 2023, with results and an updated JORC resource estimate expected by the end of H1 2023.

A Scoping Study has commenced on the Francisco Basin project and is expected to be completed in Q1 2023.

Llamara Project

Licence applications were submitted in May 2022, having followed all relevant land concession and court requirements, and the typical granting period for applications in Chile is 6 - 9 months, providing a timeframe of November 2022 - January 2023. The Company´s geology team have selected the preferred location for the planned exploration drill hole based on historical geophysics survey data which interprets a thick hypersaline aquifer in the licence area. The drilling contractor operating at Laguna Verde and Francisco Basin will also undertake the drilling at the Llamara project. The simultaneous drilling of three projects in Chile represents a significant undertaking for both CTL as an exploration and development stage company and the local drilling contractor, which underlines the importance of having a productive partnership for both parties.

DLE Pilot Plant

A lab-scale DLE demo unit that was recently delivered to Copiapo is being set up with the assistance of SunResin. This will produce small quantities of post DLE eluate that will be used for process testing.

CTL has ordered the DLE unit for a pilot plant that plans to produce 1 tonne per month of battery grade lithium as carbonate and hydroxide. This unit will be manufactured at SunResin's facilities in Belgium and is planned to be installed and commissioned in Q2 2023. The pilot plant will provide process verification data that will be an important input into the PFS and also produce sufficient quantities of battery grade lithium carbonate and hydroxide for product testing by potential customers, such as battery manufacturers, auto-makers and international traders. CTL has a dedicated facility in Copiapo that is suitable for both the demo unit and the planned pilot plant.

Expansion of Operational and Support Team in Chile

As the Company has increased its activities in Chile over the course of 2022, it has looked to ensure that it has the staffing resources required to deliver its forward work programmes in an effective manner and, ultimately, achieve sustainable lithium production using the DLE process in 2025.

In that regard, the Company has established new management positions in the following activities over the past few months:

- Operations: Operations Coordinator, working with the COO and CEO on various operational tasks, including the Scoping Studies and PFS
- DLE: DLE Process Manager who will be supported on the DLE pilot plant in the near future by other specialist new hires in Copiapo
- Environmental: Environmental Consultant to help drive the EIA process
- Community Relations: Community Relations Manager to work with the regional authorities and local communities in the Atacama region to ensure full community support for the Company's projects going forward
- Hydrogeology: Hydrogeologist to manage the consultants working on the hydrogeological studies which will form a critical part of our planned DLE based operation and also as a key element of the EIA and PFS
- HR: Organisational Development Consultant to assist with the HR activities required as the Company looks to take on significant extra staffing to support the construction phases of the Company's projects.

At the beginning of 2022, the Company had just three full-time members of staff working in Chile, very much a fledging company from an operational point of view. It is now forecast that by the end of 2022 there will be around 20 staff in the Company's Chile organisation, reporting to the CEO, with the addition of approximately 80 contractors working at both drilling sites (two rotational crews).

Opening of Office in Copiapo

As the Company has grown over the past year, it is clear that a greater presence in Copiapo is needed, especially from an operational, regulatory and community relations point of view. Copiapo, which has a population of approximately 158,000 people, is the main city in the Atacama region and is located circa. 200km-260km from the Laguna Verde and Francisco Basin projects. The Company therefore plans to open a new office in the coming weeks which will become the Company's main operational base and will also be a hub where local people - and other interested parties and NGOs - will be able to visit to communicate with Company personnel on the Company's forward plans.

The new office will be located in the centre of Copiapo, close to the offices of the regional regulatory authorities and the Presidential Delegate for the Atacama region.

Board Visit to Chile:

The Board visit to Chile, over the course of two weeks, was intended to achieve the following objectives:

- to meet the new team in Chile - given the significant expansion of that team throughout 2022 - and to work with the various managers on agreeing the work programmes, budgets and KPIs for 2023. This involved various presentations by management on specific activities
- to visit the operational sites at Laguna Verde and Francisco Basin and see the progress being made on the drilling campaigns, liaising with the drilling crews on site. This involved an overnight stay at the Laguna Verde drilling camp
- to meet with regulatory bodies, Government representatives and also representatives of state organisations in Copiapo and Santiago, and
- to meet with representatives from SunResin who had flown to Santiago to discuss the installation and operation of the DLE pilot plant which had recently been ordered by the Company and to consider actions

required leading up to the order of the full DLE plant which the Company aims to construct and install in 2024.

Meetings with Government and other Bodies

The Chairman, CEO and CFO met with the following central, regional and state body representatives during their visit to Chile:

Mining ministry: Mining Undersecretary

Regional Government of Atacama:

- 1st meeting: Deputy Regional Governor, Productive Development chief
- 2nd meeting: Mining Regional Secretary
- 3rd meeting: Presidential Delegate

ENAMI: Executive vice president

ENAMI is one of the state bodies charged with encouraging the exploitation and marketing of minerals in Chile.

All meetings were very positive with support being shown from all for the Company's plans to produce lithium in a sustainable manner. The employment of people from the local communities was stressed, as well as ensuring continuing direct dialogue with local communities is maintained during all stages of the projects. The process for obtaining the production permits (CEOLs) for the projects was also discussed and further discussions are planned in the near future on the best means of progressing these over the coming months.

Meeting with SunResin

Representatives from SunResin also met with CTL´s Board and technical team to discuss the progress on the recently ordered pilot plant DLE unit and more importantly the forward programme on the Company's plan to commence construction of the first 20,000 tonne per annum lithium carbonate/hydroxide production facility at Laguna Verde in 2024. SunResin´s presentation outlined its leadership in deploying DLE at the commercial scale and highlighted it capacities across providing:

- An end-to-end process covering the DLE stage through to the final stage of producing battery grade lithium products
- Modular based commercial scale plants that are scalable and can be ready to be shipped within eight months of being ordered
- Commercial arrangements that are based on transparent pricing
- Project delivery that covers engineering and procurement along with local construction with SunResin´s support, and
- Product performance guarantees such as lithium recovery rate benchmarks that mitigate risk and provide critical support for future fund raising.

CleanTech Lithium management and its technical team plan to visit operating DLE plants in China that use SunResin´s technology in H1 2023. SunResin considers highly projects that have a clear path to permitting and no significant operational hurdles and clearly sees the Company as a long-term commercial partner.



Figure 3: Meeting with SunResin in Santiago, 26 November 2022

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The information communicated within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018. Upon publication of this announcement, this inside information is now considered to be in the public domain. The person who arranged for the release of this announcement on behalf of the Company was Gordon Stein, Director and CFO.

Notes

CleanTech Lithium (AIM:CTL) is an exploration and development company, advancing the next generation of sustainable lithium projects in Chile. The Company's mission is to produce material quantities of battery grade lithium from 2025 onwards, with near zero carbon emissions and low environmental impact, offering the EU EV market a green lithium supply solution.

CleanTech Lithium has two prospective lithium projects - Laguna Verde and Francisco Basin projects located in the lithium triangle, the world's centre for battery grade lithium production. They are situated within basins entirely controlled by the Company, which affords significant potential development and operational advantages. The projects have direct access to excellent infrastructure and renewable power. The Company has also further applied for an additional 119 exploration licences at Llamara, as a low cost and commitment greenfield project to complement the existing more advanced projects.

CleanTech Lithium is committed to using renewable power for processing and reducing the environmental impact of its lithium production by utilising Direct Lithium Extraction. Direct Lithium Extraction is a transformative technology which only removes lithium from brine, with higher recoveries and purities. The method offers short development lead times, low upfront capex, with no extensive site construction and no evaporation pond development so there is no water depletion from the aquifer or harm to the local environment.

About SunResin:

SunResin was established in 2001 and specialises in supplying selective extraction resins, equipment solutions and technical services. SunResin manufactures about 50,000M^3 of resins and adsorbers annually. Its resin portfolio consists of around 25 product categories and more than 200 different resin types, used in sectors which include; mining and hydrometallurgy, water and waste water treatment, SunResin holds more than 30 patents.

SunResin has over 10 years of experience in DLE, having executed nine commercial DLE contracts representing a total capacity of 73,000 tonnes per annum of lithium. Among the nine contracts, four plants are currently in operation, three are under construction and a further two are new projects. In addition, SunResin has executed a large-scale pilot operation with a capacity of 600 tonnes per annum for a lithium project operated by BYD, the Chinese automaker which is the world´s second largest electric vehicle producer by sales volume.

SunResin was engaged by Tibet Summit Resources (a Chinese public company) in February 2022 as the DLE resin and plant provider for their USD 721 million lithium project in Argentina with a capacity of 50,000 tonnes per annum of battery grade lithium. The project is due to start production in the first half of 2023. SunResin will provide the project's first 25,000 tonne per annum phase in a contract valued at USD 102.6 million, with this including the resin plant and resins. SunResin have confirmed that all equipment should be installed on site in Argentina before the end of 2022.

****ENDS****

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