

**ASX ANNOUNCEMENT**

12 December 2023

Rio Tinto Funding to be Drawn Down by Charger Metals

- On 20 November 2023, Charger announced that it had signed a binding farm-in agreement for the Lake Johnston Lithium Project with Rio Tinto Exploration Pty Ltd (“RTX”), a wholly-owned subsidiary of Rio Tinto Limited (ASX: RIO) (RTX Agreement)¹:
 - RTX convertible loan funding of \$1.2 million is expected to be received this week;
 - RTX also expected to pay Charger \$500,000 in January 2024;
 - RTX to fund minimum \$3 million exploration expenditure on the Lake Johnston Lithium Project over the first 12 months;
 - RTX can earn 51% by sole funding \$10 million in exploration expenditure and paying Charger minimum further cash payments of \$1.5 million;
 - RTX can earn 75% by sole funding cumulative \$40 million in exploration expenditure or completing a Definitive Feasibility Study.
- Simultaneously, Charger entered into a binding agreement with Lithium Australia Limited (ASX: LIT) to purchase their minority interest in the Lake Johnston Lithium Project for \$2 million to increase Charger’s interest to 100% (LIT Agreement)¹:
 - General meeting for shareholders to approve this transaction will take place at 10am Thursday 11th January 2024;
 - Independent expert’s report concludes transaction is “fair and reasonable”; and
 - Strong shareholder support for the LIT Agreement with all directors and major shareholders totalling over 19% interest indicating their written support.
- Preparations are well advanced to recommence drilling at the Lake Johnston Lithium Project.

Charger Metals NL (ASX: CHR, “Charger” or the “Company”) is pleased to announce it has met the funding conditions precedents under the binding farm-in agreement with Rio Tinto Exploration Pty Ltd (“RTX”), a wholly-owned subsidiary of Rio Tinto Limited (ASX:RIO) for its Lake Johnston Lithium Project in the Yilgarn of Western Australia (RTX Agreement)¹. The RTX investment of \$1.2 million is expected to be received this week with a further \$500,000 RTX re-imbursement of exploration expenditure expected in January following “completion” under the LIT Agreement.

Charger is also pleased to announce it has simultaneously entered into a binding agreement with Lithium Australia Limited (ASX:LIT) to purchase their minority interest in the Lake Johnston Lithium Project moving the Company to a 100% beneficial ownership (LIT Agreement)¹, subject to shareholder approval and one remaining third party approval.

Charger’s Managing Director, Aidan Platel, commented:

“The Rio Tinto Exploration farm-in agreement is an excellent result for Charger and its shareholders and is validation that the Lake Johnston Project has potential to host a large-scale lithium deposit. The planned significant investment by RTX will allow thorough systematic exploration over the entire

¹ Key terms of both the RTX Agreement and LIT Agreement are set out in ASX announcement dated 20 Nov 2023 - Appendix 1.

project tenure, with initial exploration focused on fast-tracking the Medcalf Spodumene Prospect as well as progressing the Mt Day and Mt Gordon lithium prospects.

The RTX farm-in agreement and recent placement ensures Charger will be well funded going forward with only ~73 million shares on issue."

Charger's Chairman, Adrian Griffin, commented:

"The Rio Tinto Exploration farm-in agreement will see them potentially spending up to \$42.5 million to earn up to a 75% interest in the Lake Johnston Project. The largely unexplored Lake Johnston Greenstone belt now hosts multiple spodumene discoveries and with the recent focus and increasing exploration activity could evolve into a prominent lithium province."

The \$1.2M RTX convertible loan is expected to convert to 4,705,882 fully paid ordinary shares (\$0.255 per Share) in Charger (**CHR Shares**) within three business days of the LIT Agreement obtaining shareholder approval under ASX Listing Rule 10.1 at its meeting on 12 January 2023. This would give RTX a 6.08% significant shareholder interest in the Company.

The independent expert's report concluded the LIT Agreement is **"fair and reasonable"** (refer to Notice of Meeting announcement 11 December 2023). Charger has received strong shareholder support for the LIT Agreement with written confirmation from directors and major shareholders totalling over 19% interest indicating their support for the deal.

If Charger does not obtain shareholder approval under ASX Listing Rule 10.1 to proceed with the LIT Agreement, or the RTX farm-in conditions are not satisfied, RTX can elect whether to require that Charger repay the convertible loan or convert to CHR shares (at the 10-day VWAP of CHR shares prior to conversion but subject to a minimum conversion price of \$0.255 per CHR share).

Preparations are well advanced to recommence drilling at the Lake Johnston Lithium Project in early January 2024.

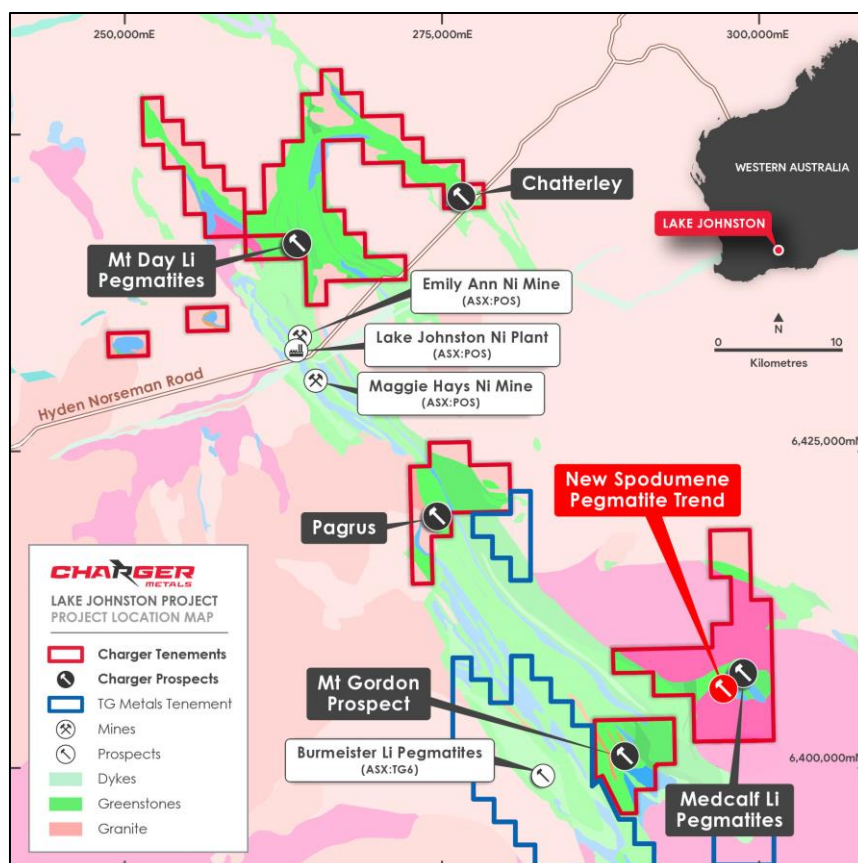


Figure 1. Location of the Lake Johnston Lithium Project which was first successfully drilled for lithium in December 2022.

About the Lake Johnston Lithium Project

The Lake Johnston Lithium Project is located 450km east of Perth, Western Australia. Lithium prospects occur within a 50km long corridor along the southern and western margin of the Lake Johnston granite batholith. Key target areas include the Medcalf Spodumene Prospect, the Mt Gordon Lithium Prospect and much of the Mount Day LCT pegmatite field, prospective for lithium and tantalum minerals.

The Lake Johnston Lithium Project is located approximately 70km east of the large Earl Grey (Mt Holland) Lithium Project which is under development by Covalent Lithium Pty Ltd (manager of a joint venture between subsidiaries of Sociedad Química y Minera de Chile S.A. and Wesfarmers Limited). Mt Holland is understood to be one of the largest hard-rock lithium projects in Australia with Ore Reserves for the Earl Grey Deposit estimated at 189 Mt at 1.5% Li₂O.²

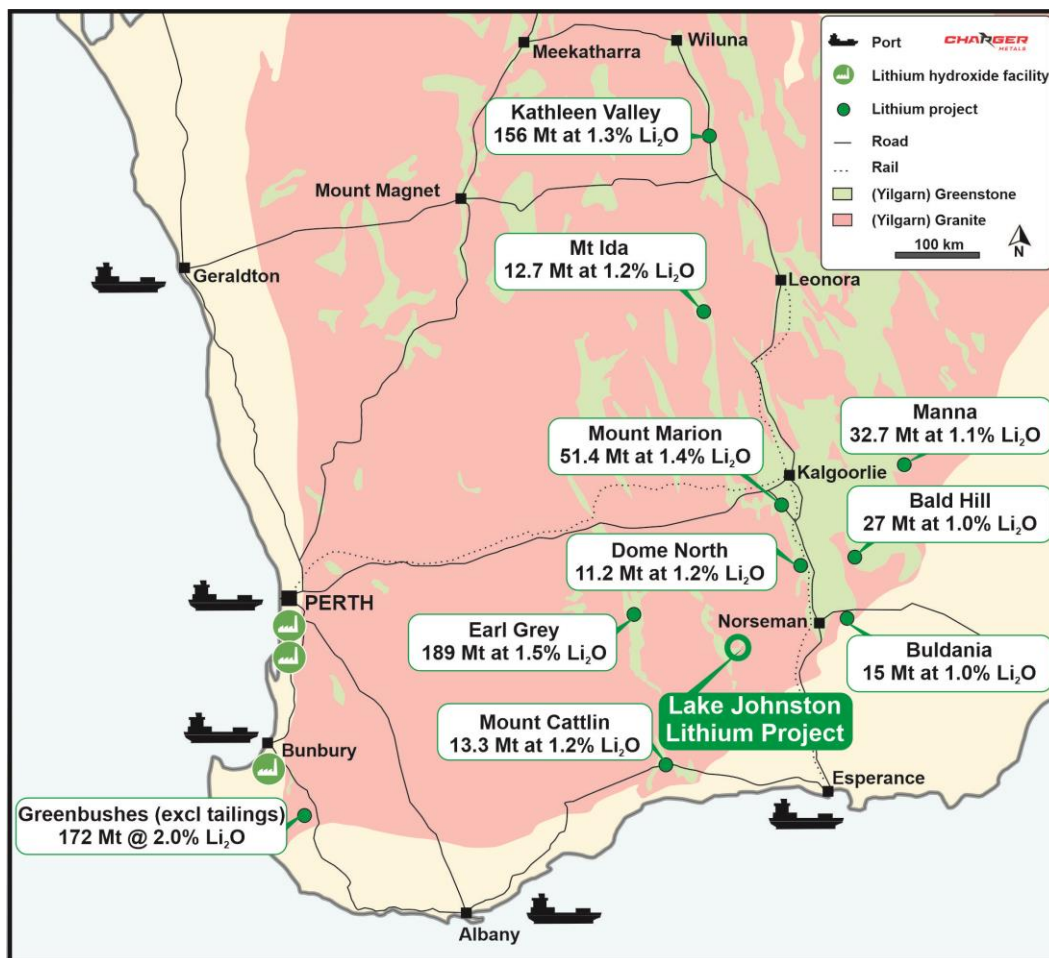


Figure 2. Location map of Lake Johnston Lithium Project in relation to other Yilgarn Block lithium projects. (Tonnages and grades shown for third party projects are estimates of current total Mineral Resources based on publicly available information.)

About the Bynoe Lithium Project

The Bynoe Lithium Project covers approximately 63km² in a known lithium-enriched belt within the Litchfield Pegmatite Field, approximately 35km southwest of Darwin, Northern Territory, with nearby infrastructure and excellent access. Charger's project is enclosed by Core Lithium Limited's

² David Champion, Geoscience Australia, Australian Resource Reviews, Lithium 2018.

(ASX:CXO) Finniss Lithium Project, which has a Mineral Resource of 30.6Mt at 1.31% Li₂O,³ with operations having started at its mine just 7km north of Charger's Bynoe Lithium Project.

Geophysics and surface geochemistry suggest multiple swarms of lithium-caesium-tantalum ('LCT') pegmatites that extend from the adjacent Finniss Lithium Project into the Bynoe Lithium Project along the regional NNE-SSW trend. Extensive soil sampling and mapping of pegmatites and/or historical tin-tantalum workings have identified more than 25 lithium targets within the Bynoe tenement which are currently being systematically drill tested.

Authorised for release by the Board.

Aidan Platel

Managing Director & CEO
Charger Metals NL
aidan@chargermetals.com.au

Jonathan Whyte

Company Secretary
Charger Metals NL
jdw@chargermetals.com.au

Alex Cowie

NWR Communications
+61 412 952 610
alexc@nwrcommunications.com.au

Forward Looking Statements

This announcement may contain certain "forward looking statements" which may not have been based solely on historical facts, but rather may be based on the Company's current expectations about future events and results. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis.

However, forward looking statements are subject to risks, uncertainties, assumptions, and other factors which could cause actual results to differ materially from future results expressed, projected or implied by such forward looking statements. Such risks include, but are not limited to exploration risk, Resource risk, metal price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as political and operational risks in the countries and states in which we sell our product to, and government regulation and judicial outcomes.

For more detailed discussion of such risks and other factors, see the Company's prospectus, as well as the Company's other filings. Readers should not place undue reliance on forward looking information. The Company does not undertake any obligation to release publicly any revisions to any "forward looking statement" to reflect events or circumstances after the date of this announcement, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

Lake Johnston Tenement Schedule

Tenement	Table 1
	% Interest in TENEMENTS ⁴
E63/1809	Charger 70% all commodities; Lithium Australia NL 30% interest
E63/1903	Charger 100% all commodities
E63/1883	Charger 100% all commodities
E63/1722	70% interest in lithium rights under the Lithium Rights Agreement with Hampton Metals Limited
E63/1723	70% interest in lithium rights under the Lithium Rights Agreement with Hampton Metals Limited
E63/1777	70% interest in lithium rights under the Lithium Rights Agreement with Hampton Metals Limited

³ Refer to Core Lithium Ltd.'s ASX Announcement 18 April 2023 - [Finniss Mineral Resource increased by 62%](#).

⁴ Subject to both the RTX Agreement and LIT Agreement are set out in ASX announcement dated 20 Nov 2023 - Appendix 1 Key Terms