THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or the action you should take, you should immediately seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent adviser who is authorised under FSMA if you are in the United Kingdom, or, if outside the United Kingdom, from another appropriately authorised independent adviser.

This document, which comprises an AIM admission document drawn up in accordance with the AIM Rules for Companies, has been issued in connection with an application for admission to trading on AIM of the entire share capital, issued and to be issued pursuant to the Placing, by CleanTech Lithium PLC. This document does not constitute an offer or any part of any offer of transferable securities to the public within the meaning of section 102B of FSMA, the Jersey Companies Law or otherwise. Accordingly, this document does not constitute a prospectus for the purposes of section 85 of FSMA, the Jersey Companies Law or otherwise and has not been drawn up in accordance with the Prospectus Regulation Rules the Jersey Companies Law or the Companies (General Provisions) Order 2002 or filed with or approved by the FCA, the Jersey Financial Services Commission ("**JFSC**"), the Jersey Registrar or Companies or any other competent authority.

Application has been made for the Ordinary Shares to be admitted to trading on AIM. It is expected that Admission will become effective and that trading in the Ordinary Shares will commence on AIM at 8.00 a.m. on 17 March 2022.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the official list of the United Kingdom's FCA. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. Each AIM company is required pursuant to the AIM Rules for Companies to have a nominated adviser. The nominated adviser is required to make a declaration to the London Stock Exchange on admission in the form set out in Schedule Two to the AIM Rules for Nominated Advisers. The London Stock Exchange has not itself examined or approved the contents of this document.

The Company and the Directors, whose names appear on page 8 of this document, accept responsibility individually and collectively for the information contained in this document. To the best of the knowledge of the Company and the Directors (each of whom has taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and contains no omission likely to affect the import of such information.

Prospective investors should read this document in its entirety. An investment in the Company includes a significant degree of risk and prospective investors should consider carefully the risk factors set out in Part II of this document.

CleanTech Lithium PLC

(Incorporated in Jersey under the Companies (Jersey) Law 1991 (as amended) and with registered number 139640)

Placing of 18,666,667 new Ordinary Shares at 30 pence per share and Admission to trading on AIM

Nominated Adviser BEAUMONT CORNISH Limited

Broker FD

Share capital immediately following Admission	*Issued and fully paid*	
	Amount	*Number*
Ordinary shares of £0.01 each	£790,332.42	79,033,242

Beaumont Cornish Limited ("**Beaumont Cornish**"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as nominated adviser to the Company in connection with the Placing and Admission. Its responsibilities as the Company's nominated adviser under the AIM Rules for Nominated Advisers

are owed solely to London Stock Exchange plc and are not owed to the Company or to any Director or to any other person in respect of his decision to acquire shares in the Company in reliance on any part of this document. Beaumont Cornish is acting exclusively for the Company and for no one else in connection with the Placing and Admission. Beaumont Cornish will not regard any other person (whether or not a recipient of this document) as its customer in relation to the Placing and Admission and will not be responsible to any other person for providing the protections afforded to customers of Beaumont Cornish or for providing advice in relation to the Placing, Admission or any transaction or arrangement referred to in this document.

Fox-Davies Capital Limited ("**Fox-Davies**"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting as broker to the Company in connection with the Placing and Admission. Fox-Davies is acting exclusively for the Company and for no one else in connection with the Placing and Admission. Fox-Davies will not regard any other person (whether or not a recipient of this document) as its customer in relation to the Placing and Admission and will not be responsible to any other person for providing the protections afforded to customers Fox-Davies or for providing advice in relation to the Placing, Admission or any transaction or arrangement referred to in this document.

This document does not constitute an offer to sell, or the solicitation of an offer to buy or subscribe for, securities in any jurisdiction in which such offer or solicitation is unlawful and, in particular, is not for publication or distribution in or into the United States, Canada, Australia, New Zealand, South Africa or Japan, nor in any country or territory where to do so may contravene local securities laws or regulations. The distribution of this document in other jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities law of any such jurisdictions. The Ordinary Shares have not been and will not be registered under the US Securities, as amended nor under the applicable securities laws of any State of the United States or any province or territory of Canada, Australia, New Zealand, South Africa or Japan. Accordingly, the Ordinary Shares may not be offered or sold directly or indirectly in or into the United States, Canada, Australia, New Zealand, South Africa, Japan or to any resident of the United States, Canada, Australia, New Zealand, South Africa or Japan. No public offering of securities is being made in the United States. The Ordinary Shares have not been approved or disapproved by the US Securities and Exchange Commission, any state securities commission or any other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States.

This document does not constitute an invitation to the public to become a member of the Company or to acquire or apply for any securities in the Company because (a) the invitation is addressed to either or both – (i) qualified investors as defined in Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended from time to time, or (ii) professional investors as defined in the Financial Services (Investment Business (Special Purpose Investment Business – Exemption)) (Jersey) Order 2001; (b) the number of persons (other than qualified investors and professional investors) to whom the invitation is addressed does not exceed 50 in Jersey and 150 elsewhere; (c) the minimum consideration which may be paid or given by a person for securities to be acquired by that person is at least EUR 100,000 (or an equivalent amount in another currency); (d) the securities to be acquired or applied for are denominated in amounts of at least EUR 100,000 (or an equivalent amount in another currency); (e) the invitation relates to the issue of shares or other securities by a company to its members in satisfaction, in whole or in part, of a distribution to be made by that company; (f) the invitation relates to a scheme specified in Article 3(2)(c) of the Companies (General Provisions) (Jersey) Order 2002; or (g) any combination of (a) to (f) applies. The investment or investment activity to which this document relates is available only to such persons. It is not intended that this document be distributed or passed on, directly or indirectly, to any other class of person and in any event, and under no circumstances should persons of any other description rely on or act upon the contents of this document.

Further to the above, this document does not therefore constitute a prospectus under the Companies Law, and accordingly, the Registrar of Companies in Jersey is not required to consent to its circulation under Article 5 of the Companies (General Provisions) (Jersey) Order 2002.

The JFSC has given, and has not withdrawn, its consent under Article 2 of the Control of Borrowing (Jersey) Order 1958 to the issue of shares in the Company (including the Ordinary Shares). The JFSC is protected by the Control of Borrowing (Jersey) Law 1947, as amended, against liability arising from the discharge of its functions under that law.

Holding Ordinary Shares may have implications for overseas shareholders under the laws of the relevant overseas jurisdictions. Overseas investors should inform themselves about and observe any applicable legal requirements. It is the responsibility of each overseas shareholder to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, or the compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction.

Copies of the document will be available free of charge on the Company's website, www.ctlithium.com

IMPORTANT INFORMATION

General

This document should be read in its entirety before making any decision to subscribe for or purchase Placing Shares. Prospective investors should rely only on the information contained in this document. No person has been authorised to give any information or make any representations other than as contained in this document and, if given or made, such information or representations must not be relied on as having been authorised by the Company, Beaumont Cornish or Fox-Davies or any of their respective affiliates, officers, directors, partners, employees or agents. Without prejudice to the Company's obligations under the AIM Rules for Companies, neither the delivery of this document nor any subscription or purchase made under this document shall, under any circumstances, create any implication that there has been no change in the affairs of the Company or the Group since the date of this document or that the information contained herein is correct as at any time subsequent to its date.

Prospective investors in the Company must not treat the contents of this document or any subsequent communications from the Company, Beaumont Cornish or Fox-Davies or any of their respective affiliates, officers, directors, partners, employees or agents as advice relating to legal, taxation, accounting, regulatory, investment or any other matters.

If you are in any doubt about the contents of this document or the action you should take, you should immediately seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent adviser who is authorised under FSMA if you are in the United Kingdom, or, if you are outside the United Kingdom, from another appropriately authorised independent adviser.

The Company does not accept any responsibility for the accuracy or completeness of any information reported by the press or other media, nor the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media or any other person regarding the Placing, the Company and/or its subsidiaries. The Company makes no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication.

As required by the AIM Rules for Companies, the Company will update the information provided in this document by means of a supplement to it if a significant new factor that may affect the evaluation of the Placing by prospective investors occurs prior to Admission or if it is noted that this document contains any mistake or substantial inaccuracy. This document and any supplement thereto will be made public in accordance with the AIM Rules for Companies.

This document is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation, by the Company, Beaumont Cornish or Fox-Davies or any of their respective representatives, that any recipient of this document should subscribe for or purchase any of the Ordinary Shares. Prior to making any decision as to whether to subscribe for or purchase any Ordinary Shares, prospective investors should read the entirety of this document and, in particular, the section headed "Risk Factors".

Investors should ensure that they read the whole of this document and not just rely on key information or information summarised within it. In making an investment decision, prospective investors must rely upon their own examination (or an examination by the prospective investor's FSMA authorised or other appropriate advisers) of the Company and the terms of this document, including the risks involved. Any decision to purchase Ordinary Shares should be based solely on this document and the prospective investor's own (or such prospective investor's FSMA authorised or other appropriate advisers') examination of the Company.

Investors who subscribe for Placing Shares in the Placing will be deemed to have acknowledged that: (i) they have not relied on Beaumont Cornish or Fox-Davies or any person affiliated with them in connection with any investigation of the accuracy of any information contained in this document for their investment decision; (ii) they have relied only on the information contained in this document; and (iii) no person has been authorised to give any information or to make any representation concerning the Company or the Ordinary Shares (other than as contained in this document) and, if given or made, any such other information or representation has not been relied upon as having been authorised by or on behalf of the Company, the Directors, Beaumont Cornish or Fox-Davies.

None of the Company, the Directors, Beaumont Cornish or Fox-Davies or any of their respective representatives makes any representation to any subscriber of Placing Shares regarding the legality of an investment by such subscriber or purchaser.

In connection with the Placing, Fox-Davies and any of its affiliates, acting as investors for their own accounts, may acquire Ordinary Shares, and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such Ordinary Shares and other securities of the Company or related investments in connection with the Placing or otherwise. Accordingly, references in this document to the Ordinary Shares being offered, subscribed, purchased, acquired, placed or otherwise dealt with should be read as including any offer to, or subscription, purchase, acquisition, dealing or placing by Fox-Davies or any of its affiliates acting as investors for their own accounts. Fox-Davies does not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

Beaumont Cornish and Fox-Davies and any of their affiliates may have engaged in transactions with, and provided various investment banking, financial advisory or other services to, the Company, for which they would have received customary fees. Beaumont Cornish and Fox-Davies and any of their affiliates may provide such services to the Company and any of its affiliates in the future.

Forward looking statements

Certain statements in this document are or may constitute forward looking statements, including statements about current beliefs and expectations of the Directors. In particular, the words "envisage", "projects", "expect", "anticipate", "estimate", "may", "should", "plan", "intend", "will", "would", "could", "target", "believe" and similar expressions (or in each case their negative and other variations or comparable terminology) can be used to identify forward looking statements. Such forward looking statements relate to matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the Board's expectations of external conditions and events, current business strategy, plans and the other objectives of management for future operations and estimates and projections of the Group's financial performance. Though the Board believes these expectations to be reasonable at the date of this document, they may prove to be erroneous. Forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, achievements or performance of the Group, or the industry in which the Group operates, to be materially different from any future results, achievements or performance expressed or implied by such forward looking statements. Prospective investors are strongly recommended to read the risk factors set out in Part II of this document.

Any forward looking statement in this document speaks only as of the date it is made. Save as required by law or regulation or the AIM Rules for Companies, the Company undertakes no obligation to publicly release the results of any revisions to any forward looking statements in this document that may occur due to any change in the Board's expectations or in order to reflect events or circumstances after the date of this document.

Any forward looking statement in this document based on past or current trends and/or activities of the Group should not be taken as a representation or assurance that such trends or activities will continue in the future. No statement in this document is intended to be a profit forecast or to imply that the earnings of the Group for the current year or future years will match or exceed the historical or published earnings of the Group.

Presentation of financial information

The reports in relation to the Company Financial Information included in Section A "*Accountant's Report on the Historical Financial Information of the Company*", the Underlying Group Financial Information included in Section C "*Accountant's Report on the Historical Financial Information of the Underlying Group*" and the Pro Forma Financial Information included in Section F "*Accountant's Report on the Unaudited Pro Forma Financial Information of the Company*" of Part III of this document have been prepared in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom and the related consent to their inclusion in this document appearing in paragraph 19.10 of Part VI of this document has been included as required by the AIM Rules for Companies and solely for that purpose.

Unless otherwise indicated, financial information in this document, including the Company Financial Information, the Underlying Group Financial Information, the Underlying Group Interim Financial Information and the Pro Forma Financial Information, has been prepared in accordance with UK–adopted international accounting standards ("**IFRS**").

Non-IFRS information

This document contains no financial that is non-IFRS.

Rounding

The financial information and certain other figures in this document have been subject to rounding adjustments. Therefore, the sum of numbers in a table (or otherwise) may not conform exactly to the total figure given for that table. In addition, certain percentages presented in this document reflect calculations based on the underlying information prior to rounding and accordingly may not conform exactly to the percentages that would be derived if the relevant calculations were based on the rounded numbers.

Currency presentation

In the document, references to "sterling", "£", "penny", "pence" and "p" are to the lawful currency of the United Kingdom and references to "USD", "US$" and "$" are references to the lawful currency of the United States. Unless otherwise indicated, the financial information contained in this document has been expressed in sterling. The Group presents its financial statements in sterling.

No incorporation of website information

The contents of the Company's website, any website mentioned in this document or any website directly or indirectly linked to these websites have not been verified and do not form part of this document and prospective investors should not rely on such information.

Interpretation

Certain terms used in this document are defined and certain technical and other terms used in this document are explained at the section of this document under the heading "Definitions".

All times referred to in this document are, unless otherwise stated, references to London time.

All references to legislation in this document are to the legislation of England and Wales unless the contrary is indicated. Any reference to any provision of any legislation or regulation shall include any amendment, modification, re-enactment or extension thereof.

Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender.

Notice to Distributors

Solely for the purposes of Paragraph 3.2.7R regarding the responsibilities of UK Manufacturers under the Product Governance requirements contained within Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the UK Product Governance Requirements) may otherwise have with respect thereto, the Ordinary Shares have been subject to a product approval process, which has determined that the Ordinary Shares are: (i) compatible with an end target market of (a) retail investors, (b) investors who meet the criteria of professional clients and (c) eligible counterparties, each as defined in UK Product Governance Requirements; and (ii) eligible for distribution through all distribution channels as are permitted by UK Product Governance Requirements (the "**Target Market Assessment**").Notwithstanding the Target Market Assessment, distributors should note that: the price of the Ordinary Shares may decline and investors could lose all or part of their investment; the Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the Ordinary Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating

the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to, the Ordinary Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Ordinary Shares and determining appropriate distribution channels.

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DIRECTORS, SECRETARY AND ADVISERS

Directors	Steve Bogdan Kesler (*Non-executive Chairman*) Aldo Jose Boitano de Moras (*Chief Executive Officer*) Gordon Bowman Stein (*Chief Financial Officer*) Jonathan Charles Rowell Morley-Kirk (*Non-executive Director*) All of whose business address is at the Company's registered office
Registered Office	de Carteret House 7 Castle Street St Helier JE2 3BT Jersey
Company Website	www.ctlithium.com
Company Secretary	**Oak Secretaries (Jersey) Limited** 3rd Floor, IFC5 Castle Street JE2 3BX Jersey
Nominated Adviser	**Beaumont Cornish Limited** Building 3 566 Chiswick High Road London W4 5YA United Kingdom
Broker	**Fox-Davies Capital Limited** 12 Hay Hill Mayfair London W1J 6DQ United Kingdom
Legal Advisers to the Company (as to English law)	**Fieldfisher LLP** Riverbank House 2 Swan Lane London EC4R 3TT United Kingdom
Legal Advisers to the Company (as to Jersey law)	**Ogier (Jersey) LLP** 44 Esplanade St Helier JE4 9WG Jersey
Legal Advisers to the Company (as to Chilean law)	**Prieto Abogados SpA** Av. El Golf 40-p13 Las Condes Santiago Chile

Legal Advisers to the Nominated Adviser and Broker	**Edwin Coe LLP** 2 Stone Buildings Lincoln's Inn London EC2A 3TH United Kingdom
Reporting Accountant	**Crowe U.K. LLP** 55 Ludgate Hill London EC4M 7JW United Kingdom
Competent Person	**Montgomery & Associates** 1550 East Price Road Tucson, AZ, 85719 United States of America
Financial Public Relations Advisers	**Celicourt Communications** Orion House Upper St Martin's Lane London WC2H 9EA United Kingdom
Registrars	**Computershare Investor Services (Jersey) Limited** 13 Castle Street St Helier JE1 1ES Jersey

DEFINITIONS

The following definitions apply throughout this document, unless the context otherwise requires:

"Act"	the Companies Act 2006 (as amended)
"Admission"	the admission of the Ordinary Shares, issued and to be issued pursuant to the Placing to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules for Companies
"AIM"	AIM, a market operated by the London Stock Exchange
"AIM Rules for Companies"	the AIM rules for companies published by the London Stock Exchange from time to time
"AIM Rules for Nominated Advisers"	the AIM rules for nominated advisers published by the London Stock Exchange from time to time
"Articles"	the articles of association of the Company
"Atacama"	Atacama Salt Lakes SpA, a Group company incorporated in Chile, a wholly owned subsidiary of CleanTech Lithium Ltd
"Board" or **"Directors"**	the directors of the Company, whose names are set out on page 8 of this document
"Beaumont Cornish"	Beaumont Cornish Limited, nominated adviser to the Company, which is authorised and regulated by the FCA
"Beyond Lithium"	Beyond Lithium LLC, a company registered in the State of Delaware, and a developer of processes involving the direct extraction of lithium
"City Code"	the City Code on Takeovers and Mergers published by the Panel from time to time
"CleanTech Lithium Ltd"	CleanTech Lithium Ltd, a private limited company incorporated in England and Wales with registered number 13094466, wholly owned by the Company
"Company" or **"CleanTech Lithium"**	CleanTech Lithium PLC, a public limited company incorporated under the laws of Jersey with registration number 139640
"Company Financial Information"	the audited historical financial information of the Company from the date of incorporation on 1 December 2021 to 31 December 2021, as set out in Section B of Part III of this document
"Competent Person"	Montgomery & Associates, 1550 East Price Road, Tucson, Arizona, United States of America
"Competent Person's Report" or **"CPR"**	the competent person's report prepared by the Competent Person in respect of the Company's mineral assets, a copy of which is reproduced in Part IV of this document
"Concessions"	the Laguna Verde mining exploitation licences listed in the table in paragraph 5 of Part I of this document and which are the subject of the LV Option
"Cooperation Agreement"	the cooperation agreement dated 24 January 2022 and entered into between CleanTech Lithium Ltd and Beyond Lithium, further details of which can be found in paragraph 14.7 of Part VI of this document

"COVID-19"	the Corona Virus Disease 2019 as designated by the World Health Organisation
"CREST"	the relevant system (as defined in the CREST Regulations) for paperless settlement of share transfers and holding shares in uncertificated form which is administered by Euroclear
"CREST Regulations"	the Uncertificated Securities Regulations 2001 (S.I. 2001 No. 3755) (as amended)
"DTRs"	the Disclosure Guidance and Transparency Rules made by the FCA pursuant to section 73A of FSMA from time to time
"Enlarged Share Capital"	the issued Ordinary Shares upon Admission, comprising the Existing Ordinary Shares and the Placing Shares
"EU"	the European Union
"Euroclear"	Euroclear UK & International Limited, a company incorporated under the laws of England and Wales
"Executive Directors"	the executive Directors of the Company as at the date of this document, namely Aldo Boitano and Gordon Stein
"Existing Ordinary Shares"	the 60,366,575 Ordinary Shares in issue immediately prior to Admission
"FCA"	the Financial Conduct Authority
"Fox-Davies"	Fox-Davies Capital Limited, the broker to the Company, which is authorised and regulated by the FCA
"Francisco Basin Project" or "Francisco Basin"	the Group's lithium exploration and mining project based in the Francisco Basin area in Chile, pursuant to which the Group holds title to certain licences, as further described in paragraph 6 of Part I of this document
"FSMA"	the Financial Services and Markets Act 2000 (as amended)
"Fox-Davies Advisory Warrants"	the warrants to subscribe for 790,332 Ordinary Shares granted to Fox-Davies pursuant to the Fox-Davies Advisory Warrant Instrument
"Fox-Davies Advisory Warrant Instrument"	the warrant instrument entered into by the Company dated 11 March 2022 pursuant to which Fox-Davies Advisory Warrants were issued to Fox-Davies, which is summarised in paragraph 13(c) of Part VI of this document
"Fox-Davies Pre-IPO Warrants"	the warrants to subscribe for 946,275 Ordinary Shares granted to Fox-Davies pursuant to the Fox-Davies Pre-IPO Warrant Instrument
"Fox-Davies Pre-IPO Warrant Instrument"	the warrant instrument entered into by the Company dated 11 March 2022 pursuant to which Fox-Davies Pre-IPO Warrants were issued to Fox-Davies, which is summarised in paragraph 13(a) of Part VI of this document
"Fox-Davies Warrants"	the warrants to subscribe for 1,065,202 Ordinary Shares granted to Fox-Davies pursuant to the Fox-Davies Warrant Instrument
"Fox-Davies Warrant Instrument"	the warrant instrument entered into by the Company dated 11 March 2022 pursuant to which Fox-Davies Warrants were issued to Fox-Davies, which is summarised in paragraph 13(b) of Part VI of this document

"Group"	the Company and its subsidiary undertakings and "**Group Company**" should be interpreted accordingly
"HMRC"	Her Majesty's Revenue and Customs
"IFRS"	UK adopted international accounting standards
"IPO"	the proposed admission of the Company's share capital to trading on AIM
"Jersey Companies Law"	the Companies (Jersey) Law 1991, as amended, modified or supplemented from time to time
"JFSC"	the Jersey Financial Services Commission
"Laguna Verde Option Agreement"	the option agreement dated 23 April 2021 and entered into by Atacama and certain vendors, further details of which are set out in paragraph 14.6 of Part VI of this document
"Laguna Verde Project" or "Laguna Verde"	the Group's lithium exploration and mining project based in the Laguna Verde area of Chile, pursuant to which the Group holds title to certain licences (including under option), as further described in Paragraph 6 of Part I of this document
"Lock-in Agreements"	the lock-in agreements entered into by each of the Locked-in Shareholders, summary details of which are set out in paragraph 14.5 of Part VI of this document
"Locked-in Shareholders"	each of the Directors and certain other Shareholders who have entered into a Lock-in Agreement, details of which are set out in paragraph 14.5 of Part VI of this document
"London Stock Exchange"	London Stock Exchange plc
"LV Option"	the option granted to Atacama to acquire the Concessions pursuant to the Laguna Verde Option Agreement
"Milestone Shares"	the new ordinary shares in CleanTech Lithium Ltd to be issued to Beyond Lithium pursuant to the Cooperation Agreement
"Non-Executive Directors"	each of Steve Kesler and Jonathan Morley-Kirk
"Official List"	the Official List of the FCA
"Ordinary Shares"	ordinary shares of £0.01 each in the capital of the Company
"Panel"	the Panel on Takeovers and Mergers
"Placing"	the conditional placing of the Placing Shares by Fox-Davies at the Placing Price pursuant to the Placing Agreement
"Placing Agreement"	the conditional agreement dated on or around the date of this document and made between the Company, Beaumont Cornish, Fox-Davies, Luke Jarvis, Jason Baverstock and the Directors relating to the Placing, further details of which are set out in paragraph 14.1 of Part VI of this document
"Placing Price"	30 pence per Placing Share
"Placing Shares"	the 18,666,667 new Ordinary Shares proposed to be issued by the Company to Placees pursuant to the Placing
"Pro Forma Financial Information"	the unaudited pro forma statement of net assets of the Company as at 31 December 2021, as set out in Section G of Part III of this document

"Projects"	together, the Francisco Basin Project and the Laguna Verde Project
"Prospectus Regulation"	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2018 as it forms part of domestic law in the UK by virtue of the European Union (Withdrawal) Act 2018
"Prospectus Regulation Rules"	the prospectus regulation rules made by the FCA under Part VI of FSMA, as amended
"QCA"	Quoted Companies Alliance
"QCA Code"	the corporate governance code for small and mid-size quoted companies published by the QCA from time to time
"Share Dealing Code""	the code adopted by the Company relating to the dealing in the Company's securities by any person discharging managerial responsibility in the Company
"Shareholder"	a holder of Ordinary Shares
"Share Exchange Agreement"	the share for share exchange agreement entered into on 14 February 2022 between the Company and certain of the then existing shareholders of CleanTech Lithium Ltd, pursuant to which (and an associated drag-along process) the Company acquired the entire issued share capital of CleanTech Lithium Ltd as further described in paragraph 14.4 of Part VI of this document
"UK"	the United Kingdom of Great Britain and Northern Ireland
"UK MAR"	the UK Market Abuse Regulation, which is the retained UK law version of the EU Market Abuse Regulation (596/2014 EU) by virtue of the European Union (Withdrawal) Act 2018
"uncertificated" or **"in uncertificated form"**	recorded on a register of securities maintained by Euroclear in accordance with the CREST Regulations as being in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
"Uncertificated Securities Order"	the Companies (Uncertificated Securities) Order 1999, as amended, modified or supplemented from time to time
"Underlying Group"	the subsidiary undertakings of the Company as at the date of this document
"Underlying Group Financial Information"	the audited consolidated historical financial information of the Underlying Group for the three years ended 31 December 2020, as set out in Section D of Part III of this document
"Underlying Group Interim Financial Information"	the unaudited consolidated interim financial information of the Underlying Group for the six-month period ended 30 June 2021, as set out in Section E of Part III of this document
"US Securities Act"	the United States Securities Act of 1993, as amended
"Warrants"	the Fox-Davies Pre-IPO Warrants, the Fox-Davies Advisory Warrants and the Fox-Davies Warrants
"Vendors"	the owners of the Concessions

GLOSSARY OF ABBREVIATIONS AND TECHNICAL TERMS

The following glossary of terms applies throughout this document, unless the context otherwise requires:

"3D"	three dimensional
"4WD"	four wheel drive
"aquifer"	a body of porous rock or sediment saturated with groundwater
"ASX"	the Australian Stock Exchange
"bathymetry"	the measurement of the depth of water in lakes, seas or oceans
"brines"	water containing dissolved solids
"CEOL"	"Contrato Especial de Operación de Litio", a Special Contract for Lithium Operations
"CO_2"	the chemical formula for carbon dioxide
"DIA"	"Declaración de Impacto Ambiental", an Environmental Impact Statement
"diamond drilling"	a method of drilling which uses a rotary drill with a diamond drill bit in order to create precisely measured holes
"DLE"	direct lithium extraction method
"EIA"	"Evaluación de Impacto Ambiental", an Environmental Impact Assessment
"ESG"	environmental, social and governance
"EV"	electric vehicle
"EXW"	ex works, as defined in the Incoterms trading terms and conditions published from time to time by the International Chamber of Commerce
"geothermal energy"	thermal energy generated and stored in the earth
"GWh"	gigawatt hour (1GWh = 1 million watts per hour)
"hydrogeological evaluation"	an evaluation of groundwater
"indicated resource"	an indicated mineral resource, that is that part of a mineral resource for which quantity, grade (or quality), densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, and is sufficient to assume geological and grade (or quality) continuity between points of observation where data and samples are gathered. An indicated mineral resource has a lower level of confidence than that applying to a measured mineral resource and may only be converted to a probable mineral reserve

"inferred resource"	an inferred mineral resource, that is that part of a mineral resource for which quantity and grade (or quality) are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade (or quality) continuity. An inferred mineral resource is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, An inferred mineral resource has a lower level of confidence than that applying to an indicated mineral resource and must not be converted to a mineral reserve. It is reasonably expected that the majority of inferred mineral resources could be upgraded to indicated mineral resources with continued exploration
"JORC Code"	the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2012 edition
"km"	kilometre
"km^2"	square kilometre
"kV"	kilovolt (1kV = 1,000 volts)
"LCE"	lithium carbonate equivalent, industry standard terminology used to compare different forms of lithium compounds
"Li"	the chemical symbol for lithium
"lithium carbonate"	a lithium compound with the chemical formula Li_2CO_3 used in the manufacture of EV's and lithium-ion batteries
"lithium hydroxide"	a lithium compound with the chemical formula LiOH used in the manufacture of EV's and lithium-ion batteries
"lithium-ion" or **"Li-ion"**	a type of rechargeable battery in which lithium ions move from the negative electrode through an electrolyte to the positive electrode during discharge and back when charging
"m"	metre
"m^3"	cubic metre
"measured resource"	a measured mineral resource, that is that part of a mineral resource for which quantity, grade (or quality), densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of mining, processing, metallurgical, infrastructure, economic, marketing, legal, environmental, social and governmental factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, and is sufficient to confirm geological and grade (or quality) continuity between points of observation. A measured mineral resource has a higher level of confidence than that applying to either an indicated mineral resource or an inferred mineral resource. It may be converted to a proven mineral reserve or to a probable mineral reserve
"mg/L"	milligramme per litre

"mineral resource"	a mineral resource is a concentration or occurrence of solid material of economic interest in or on the earth's crust in such form, grade (or quality) and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade (or quality), continuity and other geological characteristics of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral resources are sub-divided, in order of increasing geological confidence, into inferred, indicated and measured categories
"mg/L"	milligrammes per litre
"MW"	megawatt (1MV = 1,000 watts)
"Ohm-m"	Ohm per metre measure of electrical resistivity
"RC drilling"	reverse circulation drilling, a method of drilling which uses dual wall drill rods that consist of an outer drill rod with an inner tube which allow the drill cuttings to be transported back to the surface in a continuous, steady flow
"salar"	a salt lake
"solar PV"	solar photovoltaic cells which produce electricity from sunlight
"TEM"	transient electromagnetic method, commonly used, non-intrusive, geophysical method for obtaining sub-surface resistivity-conductivity data
"tonnes"	metric tons
"TSX"	the Toronto Stock Exchange

PLACING STATISTICS

Placing Price	30 pence
Number of Existing Ordinary Shares	60,366,575
Number of Placing Shares	18,666,667
Number of Ordinary Shares in issue immediately following Admission	79,033,242
Percentage of Enlarged Share Capital represented by the Placing Shares	23.6%
Market capitalisation of the Company at the Placing Price on Admission	£23.7 million
Gross proceeds of the Placing receivable by the Company	£5.6 million
Estimated net proceeds of the Placing receivable by the Company	£4.8 million
ISIN number	JE00BPCP3Z37
SEDOL number	BPCP3Z3
AIM TIDM	CTL
LEI number	213800Y3TN5JQCDA9U59

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this document	11 March 2022
Issue of Placing Shares	17 March 2022
Admission and dealings commence in the Ordinary Shares on AIM	8.00 a.m. on 17 March 2022
CREST accounts credited by	as soon as reasonably practicable on the morning of 17 March 2022
Dispatch of definitive share certificates, where applicable, by	within 10 business days of Admission

Note:

Each of the above dates is subject to change at the absolute discretion of the Company, Beaumont Cornish and Fox-Davies

KEY INFORMATION

The following is a summary of certain information appearing elsewhere in this document and should be read as an introduction to this document only. This summary is qualified in its entirety by, and should be read in conjunction with, the more detailed information and financial information appearing elsewhere in this document. Any decision to invest in Ordinary Shares should be based on consideration of this document as a whole. Prospective investors should consider the factors and risks attaching to an investment in the Company's Ordinary Shares and in particular the risk factors set out in Part II of this document.

1. The Company is focused on appraising and developing two lithium mining projects in Chile, being the Laguna Verde Project and the Francisco Basin Project.

    - *The Directors view the Company's chosen jurisdictions as being favourable to mining, due to comparatively low political risk, low geological risk, access to infrastructure and clear access to market.*

    - *Chile has traditionally been the world's leading producer of lithium however the environmental impacts of traditional evaporation pond operations which deplete aquifers used by indigenous communities has curtailed growth.*

    - *The Chilean government strongly supports new production methods, such as the direct lithium extraction process pursued by CleanTech Lithium, which seek to address these environmental concerns.*

2. The Board and senior management team collectively have experience within the sector and are aiming to leverage the Company's experienced technical and corporate teams to develop two significant lithium deposits.

3. The Directors believe that trends in the market for lithium indicate that lithium will enjoy a continued positive price trend driven by demand from end users.

4. To date, since 2017 the Group has raised approximately £5.4 million for its current business with the Company's most advanced project being the Laguna Verde Project and its second project the Francisco Basin Project.

    - *The Company intends to continue to develop its two flagship projects in Chile along with progressing a pilot plant by early 2023 with the ultimate objective to produce 10 tonnes of lithium per month.*

5. The Laguna Verde Project has a mineral resource estimate in accordance with the JORC Code.

    - *The project features a hypersaline lake covering 15.2km^2 with an average depth of 4m. Based on a bathymetry survey and grid based sampling, this surface brine resource has a JORC Code compliant measured resource estimate of 77,834 tonnes of LCE at a grade of 246mg/L Li.*

    - *Directly beneath the footprint of the lake, an up to 300m thick sub-surface aquifer with an initial JORC Code inferred resource estimate of 1.16 million tonnes LCE at 246mg/L.*

6. The Company is seeking Admission having conditionally raised £5.6 million before expenses via the Placing, principally to fund exploration work programmes and direct lithium extraction pilot scale test-work, along with environmental, permitting and feasibility studies and a DLE pilot plant.

The attention of prospective investors is drawn to the information contained in the rest of this document and, in particular, to the risk factors set out in Part II.

PART I

INFORMATION ON THE GROUP

1. Introduction and Background

The Group was established in 2017 and is focused on lithium exploration and development and has been progressing two lithium projects in Chile, the Laguna Verde Project and Francisco Basin Project. The Group holds (either directly or under option) mining exploration and mining exploitation licences over the Projects which are prospective for lithium resources based on the lithium enriched brine in the surface and sub-surface of the basins. To date the Group has raised approximately £5.4 million.

The Group is intending to produce lithium using a sustainable direct lithium extraction method, which returns water to its source instead of depleting vital aquifers. Each of the Projects are based in Chile, one of the world's best regions for solar and other renewable energy. The intention is to utilise renewable energy for process power. The result being that the overall process will have a very low CO_2 footprint potentially giving a critical advantage in the EU market which has set strict CO_2 emissions limits. The Group has completed direct lithium extraction trials with a number of DLE technology providers and has entered into the Cooperation Agreement with a leading local Chilean-Argentinian based company, Beyond Lithium, to complete laboratory and pilot scale test-work over the coming 18 months. The pilot scale work will aim to produce 10 tonnes per month of battery grade LCE product and confirm the process route for commercial scale production.

The Group's Projects are both located within 300km by road from the mining centre of Copiapo in the Atacama region of Chile, within a major mining district. The total licence area of the two Projects is 177km^2, comprising 67km^2 at Laguna Verde and 110km^2 at Francisco Basin. The more advanced Laguna Verde Project features a steep valley shaped basin rimmed by volcanos, with a hypersaline lake covering 15.2km^2 covering the low point of the basin. This surface lake has been subject to a JORC Code measured resource estimate of 77,834 tonnes of LCE at a grade of 246mg/L lithium. A sediment hosted aquifer is interpreted to lie directly beneath the surface brine resource and up to 300m thick, which has been subject to a JORC Code inferred resource estimate of 1.16 million tonnes LCE at 246mg/L lithium.

The Francisco Basin Project features a salar and lagoon with shallow surface brine, and a gradually rising plain to the south which is the focus area of the project. Two surface sampling programmes in 2018 and 2019 recorded average lithium grades of 375mg/L and 694mg/L. A geophysics programme based on a transient electromagnetic method ("**TEM**") survey identified a low resistivity zone over an area of 10 – 15 km^2. A reconnaissance drill hole drilled in the basin confirmed the sediment aquifer thickness from 100m to 220m.

The Group intends to upgrade the existing resource at the Laguna Verde Project and produce a maiden resource estimate at the Francisco Basin Project. Drilling programmes to achieve this are included within the planned work programme for which funds are being raised as part of the Placing.

The Board and senior management have collective experience within the sector and are targeting development of both Projects over a three-year period.

In Q4 2021 the Group raised approximately £4 million of pre-IPO money to advance its Projects and complete the IPO. Utilising those funds, resource drill programmes commenced in January 2022 at the Laguna Verde Project and in early February 2022 at the Francisco Basin Project.

The Company is now seeking Admission and has conditionally raised £5.6 million before expenses pursuant to the Placing. The net proceeds of the Placing will principally be used to provide additional funding for its exploration work programmes at the Projects, environmental, permitting and feasibility studies, and a DLE pilot plant.

The Directors believe that the market for lithium will continue to enjoy a positive price trend with long term estimates by Benchmark Minerals[1] forecasting a price of US$15,000/tonne for battery grade lithium carbonate and lithium hydroxide from 2025 – 2040. The EU is the world's fastest growing lithium market and in 2020 an EU Commission report on the battery supply chain industry highlighted both the strategic importance of lithium and the requirement to de-carbonize the supply chain. At the same time, major auto-makers are increasingly emphasizing sourcing lithium with less environmental impact than the supply from evaporation pond operations and hard rock lithium mines. The Group's strategy to implement DLE and utilise renewable energy for processing power addresses the two key ESG considerations for new lithium production.

2. Uses of and Market for Lithium

The battery market is the key driver of lithium demand going forward. Lithium batteries feature the combination of having the highest energy density and the lowest discharge rate, making lithium the critical material for electric vehicle and energy storage batteries. Whilst traditional applications that used lithium-ion batteries such as consumer electronics and mobile phones used relatively small amounts of lithium, an EV battery uses a much larger amount of lithium hence the increasing adoption of EV's represents a step change in demand for lithium. A smartphone battery contains approximately 2 grams of LCE, while the average electric vehicle battery uses approximately 45kg, or a greater than 20,000 times larger mass.

Demand and Supply

Lithium demand is forecast to rise from 350,000 tonnes in 2020 to 2.5 million tonnes in 2030 and over 7 million tonnes in 2040, based on estimates by Benchmark Minerals. A total of 85 million vehicles are expected to be sold in 2021 according to Rho Motion, around 6.3 million of which will be electric rising to over 16 million by 2025. The rapid rebound in EV sales following the coronavirus slowdown has boosted medium-term market projections, with government responses adding to industry momentum.

Figure 1: Global policy statements supporting EV adoption



Source: Benchmark Minerals Q4 2021 Forecast

With the high demand growth forecasts underpinned by OEM commitments and the pipeline of lithium-battery cell production, the entire lithium supply sector will need to expand to meet this demand. Currently, the planned expansion by existing and new operations will leave a large gap between forecast demand and supply as shown in Figure 2.

1 Benchmark Mineral Intelligence (Benchmark Minerals) is a leading provider of prices, data and advisory services in the lithium-ion battery and electric vehicle (EV) supply chain. Benchmark Minerals is a price reporting agency (PRA) globally known for setting the IOSCO-compliant lithium reference price.

Figure 2: Lithium Market Balance Forecast

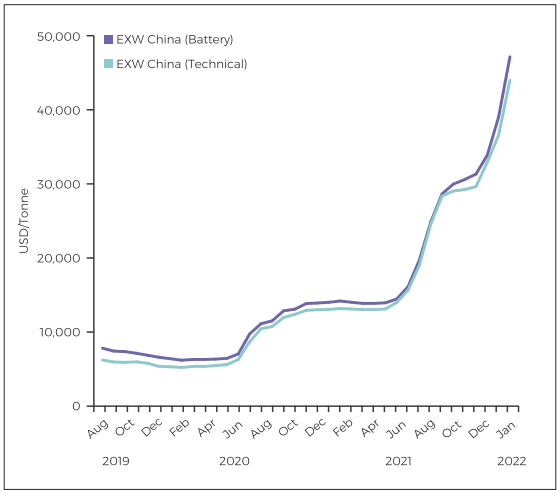


Source: Benchmark Minerals Q4 2021 Forecast

Lithium Price Outlook

The average price of lithium in 2021 was approximately 200 per cent. higher than the average price during 2020. By the last quarter of 2021 the lithium price rose very strongly reaching close to US$40,000/tonne for EXW China battery grade lithium carbonate as shown in Figure 3.

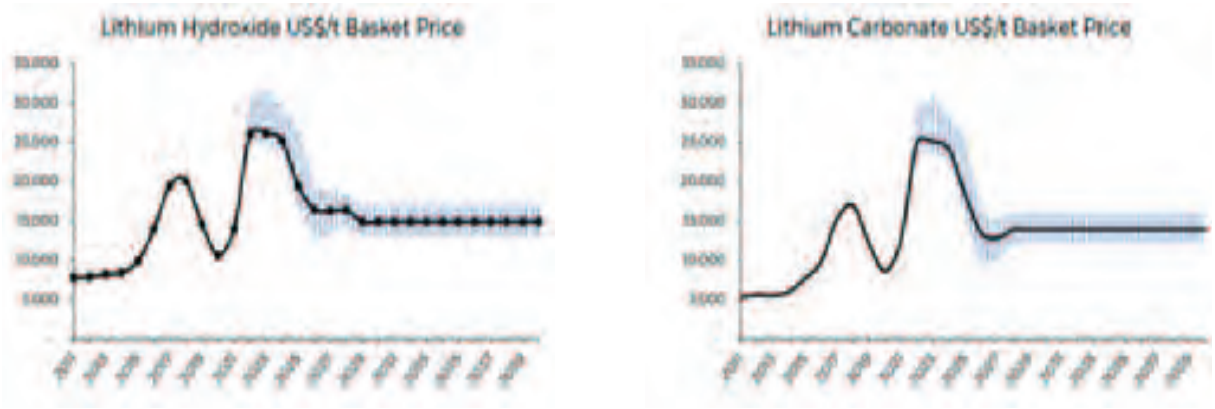
Figure 3: Battery Grade Lithium Carbonate Price (US$/tonne)



Source: Benchmark Mineral Intelligence Lithium Price Assessment January 2022

The underlying fundamentals of strong demand and an increasing gap with supply is forecast to support sustained elevated lithium product pricing. Benchmark Minerals released price forecasts during the third quarter of 2021 which forecasts the long-term price for battery grade lithium carbonate to pull back from the very high levels at the end of 2021 to approximately US$15,000/tonne by 2030 which would then be sustained through to 2040, as shown in Figure 4.

Figure 4: Battery Grade Lithium Price Forecast (US$/tonne)



Source : Benchmark Minerals Q4 2021 Forecast

Note: Shading indicates the area between bullish and conservative cases

3. Company Strategy

CleanTech Lithium Well Positioned to Address Lithium Sector ESG Challenges

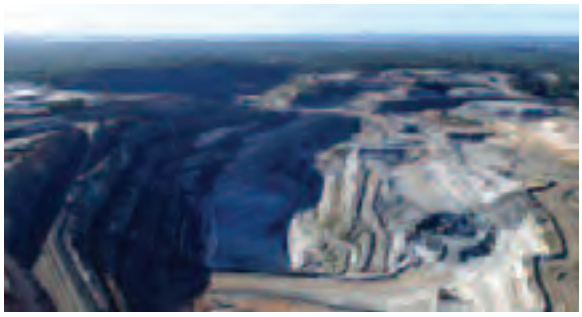
There are two main sources of lithium being the brines from salt lakes (or 'salars') and hard rock mines (typical examples of which are depicted in Figures 5 and 6), both of which have environmental impacts. The conventional method of producing lithium from brines uses large evaporation ponds (typically 20–50km^2 in area). By evaporating large volumes of water, the ponds deplete the aquifers of the salt lake basins, impacting indigenous or local communities that live within these basins. The Chilean government therefore strongly supports new production methods, such as the DLE process which seek to address these environmental concerns. Hard rock lithium mines have the direct environmental impact of large open cast mining operations and require energy intensive processing which has high associated CO_2 emissions. Global car manufacturers and the battery supply chain are increasingly focused on sourcing lithium from producers with a sustainable low environmental impact extraction method.

CleanTech Lithium plans to create a new path for lithium production in Chile, using DLE to minimize the environmental impact of extraction from salars. Additionally, the Company intends to take advantage of the Projects' excellent infrastructure position to utilise Chile's abundant renewable energy for process power, thereby reducing the CO_2 footprint of lithium production. CleanTech Lithium is well positioned to address the two critical ESG considerations for lithium production, the environmental impact of extraction and the CO_2 emissions associated with production.

Figure 5: Evaporation Pond Lithium Operation



Figure 6: Hard Rock Lithium Mine

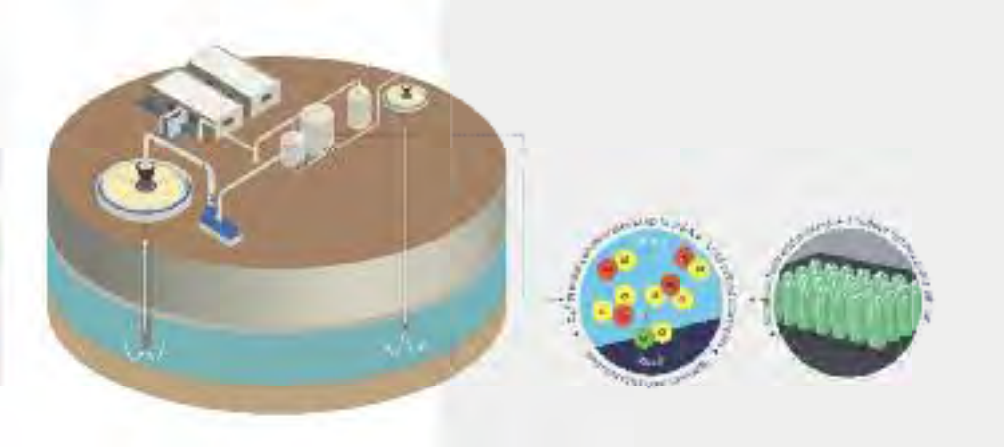


Sustainable Extraction

CleanTech Lithium plans to deploy DLE which will represent a major improvement in the sustainability of lithium extraction. In a DLE operation, brine is pumped to a processing unit where a resin or adsorption material is used to extract only the lithium from the brine, while spent brine is reinjected into the basin aquifers. A basic conceptual overview of the DLE process is depicted in Figure 7. A more detailed description of CleanTech Lithium's DLE plans covering test-work and piloting of DLE is

provided in paragraph 6 of this Part I and is further covered in Section 9 of the Competent Person's Report.

Figure 7: Conceptual Overview of DLE Process



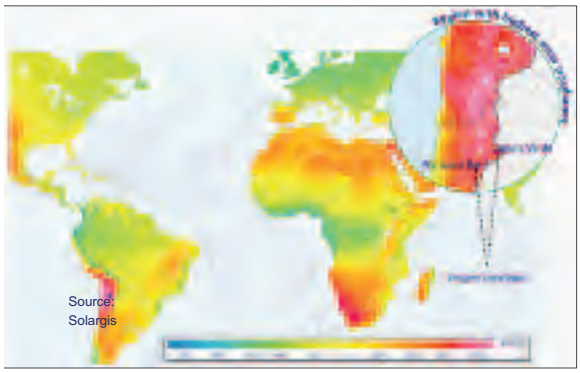
As there are no evaporation ponds and brine is returned to the basin, a DLE operation will minimise depletion to the basin aquifers. This has been a key concern regarding the sustainability of lithium extraction at Salar Atacama, the world's largest lithium production base located in Chile's Atacama desert 400 – 500km north of the Projects. CleanTech Lithium has noted strong support from the Chilean government and mining authorities for the Group's DLE based extraction plan. Continued support is expected which is further helped by both Projects, which are located at altitudes of over 4,000m, having no indigenous or other communities within the basins.

Renewable Energy Based Processing Power for Exceptionally Low CO_2 Footprint

CleanTech Lithium intends to use renewable power wherever possible for its operations including the DLE pilot plant, which provides an opportunity to produce lithium with close to zero or minimal CO_2 emissions. This could be achieved based on either a grid connection, building renewable energy at the Project areas, or a combination of both of these options.

The Projects are located in what is the world's best region for solar power as shown in Figure 8. The Company's CEO, Aldo Boitano is a pioneer in Chile's solar industry and has been involved in the deployment of solar projects with a combined output exceeding 800MW. The current licence areas at both Projects are suitable for building a solar PV array. In addition, Laguna Verde is classified by the Ministry of Energy as a site for geothermal energy which is a particularly efficient method of producing processing heat. While site based renewable energy will be evaluated during feasibility studies, the base case of utilizing the existing capacity of the central Chilean grid via connecting to a nearby substation provides an alternative opportunity with equally low emissions potential.

Figure 8: World's Best Region For Solar Power



Source: Solargis website

Figure 9: Geothermal Activity at Laguna Verde



Utilising the World's Cleanest Grid Power

The central Chile grid is a transmission line which runs through inland Chile and has one of the highest renewable energy components of any national grid. The transmission line reaches the north of Chile which has excellent solar, as well as wind and geothermal resources, and extends to the south of the country which has a large supply of installed hydroelectric power. Within the vicinity of the Project areas there are substations located at the La Coipa mine, 52km from Laguna Verde, and the Maricunga gold mine, which is only 5km from Francisco Basin, both of which are connected to the main grid via branch transmission lines, as shown in Figure 10 below.

Figure 10: Central Chile Grid and Transmission Lines to the Projects



The Company would need to construct a 53km transmission line to connect with the substation at La Coipa mine (as per picture in Figure 12). At Francisco Basin, existing transmission lines pass directly through the Project area and connect to the substation at Maricunga gold mine, which is currently on care and maintenance.

Figure 11: Transmission Lines at Francisco Basin



Figure 12 La Coipa Substation

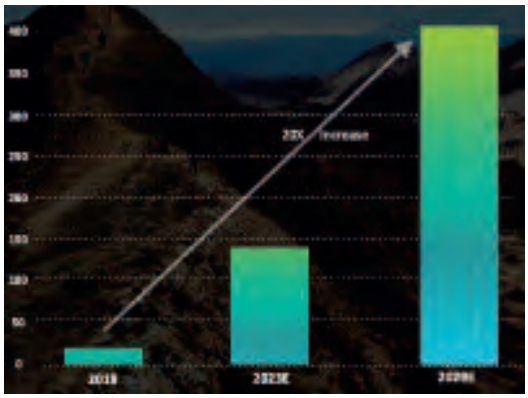


Low Emissions a Critical Advantage for the EU Market

The EU is forecast to have a high growth rate in lithium demand over the next decade, outpacing the global average. At the same time, the EU is implementing strict CO_2 footprint limits on the lithium-ion battery supply chain. In December 2020, the EU outlined measures to ensure the sustainable and ethical sourcing of lithium, and that all batteries sold in Europe meet carbon footprint thresholds.

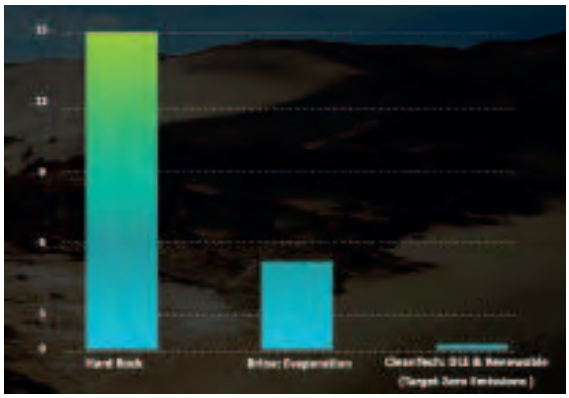
A study by market research company Minviro, which specializes in assessing the lifecycle environmental impacts of mining and mineral processing, estimated that lithium produced from hard rock mines has produced 15 tonnes of CO_2 per tonne of lithium, and 5 tonnes of CO_2 per tonne of lithium for evaporation pond operations, as shown in Figure 14. Based on the Company's strategy to utilise renewable energy for processing power and the Projects' inherent infrastructure advantages, a target of very low emissions is highly realistic. The Directors therefore believe that the new supply of lithium from the Projects will be well positioned to meet EU emissions standards, providing a critical advantage in this key growth market.

Figure 13: EU Li-ion Battery Cell Forecast (GWh)



Source: Benchmark Minerals

Figure 14: Lithium Production (CO_2 Tonne/ Li Ton)



Source (for Hard rock and Brine): Minviro Study

Direct Lithium Extraction Strategy

DLE as a technology of increasing importance to the lithium sector is now being subject to renewed focus, development and optimization. Among the three major established lithium production bases, two of which are the brine based projects Salar Atacama in Chile and Hombre Muerto in Argentina, the Hombre Muerto project uses primarily DLE process pathway which utilises a small footprint of evaporation ponds for a final concentration stage. At Hombre Muerto an alumina based resin is used to extract lithium in the processing plant. A large number of technology companies are now working on optimizing similar resin based processes or alternative pathways. Further background on the alternative DLE processes is provided in the Competent Person's Report set out in Part IV of this document.

DLE based projects are expected to be an important component of meeting the increasing demand for lithium. In the last year, a number of prominent exploration and development companies have reached feasibility stages on new DLE based projects. In China, three new DLE operations have entered production, including two currently undergoing further expansion of production.

The Group has completed trials with a number of the leading emerging DLE technology providers. The Group's strategy is to continue advancing test-work with selected partners whilst avoiding any commercial constraints. Based on this strategy, CleanTech Lithium Ltd has entered into the Cooperation Agreement with Beyond Lithium, a Chilean-Argentinian based technical consultant. The principal of Beyond Lithium is Pedro Torres, who has provided consulting services to many of the leading lithium producers and developers. Mr Torres is also a member of the Company's technology advisory board.

The key terms of the Cooperation Agreement and share based incentive scheme with Beyond Lithium are shown in Table 1 below. Milestone Shares will be issued to Beyond Lithium at the volume-weighted average price of shares in the 30-day period immediately preceding their issue and will be subject to standard lock-in arrangements. At present the Cooperation Agreement refers to the issuance of Milestone Shares by CleanTech Lithium Ltd since the agreement was entered into prior to the Share Exchange Agreement becoming effective. Atacama is in the process of agreeing an amendment with Beyond Lithium to reflect that the Milestone Shares will in fact be issued by the Company.

Table 1: Cooperation Agreement with Beyond Lithium Key Terms

Milestone	Description	Duration	Milestone Payments
1) Laboratory Test-work	Process trials on an initial 60L sample and then a 2,000L sample to produce 1kg of battery grade lithium carbonate	Seven months	200,000 Milestone Shares USD50,000 cash payment
2) Evaluation Period	CleanTech Lithium Ltd will evaluate the results of the laboratory testing and decided unilaterally either to terminate the contract or move forward to the Pilot Plant construction	Three months	–
3) Pilot Plant	Build pilot plant at site to produce 10 tonnes per month of battery grade lithium carbonate for 3 consecutive months	12 months	1,000,000 Milestone Shares USD150,000 cash payment

The terms of the Cooperation Agreement provide for Beyond Lithium, to complete laboratory and pilot scale test-work over the coming 18 months. The pilot scale work will aim to produce 10 tonnes per month of battery grade LCE product and confirm the process route for commercial scale production.

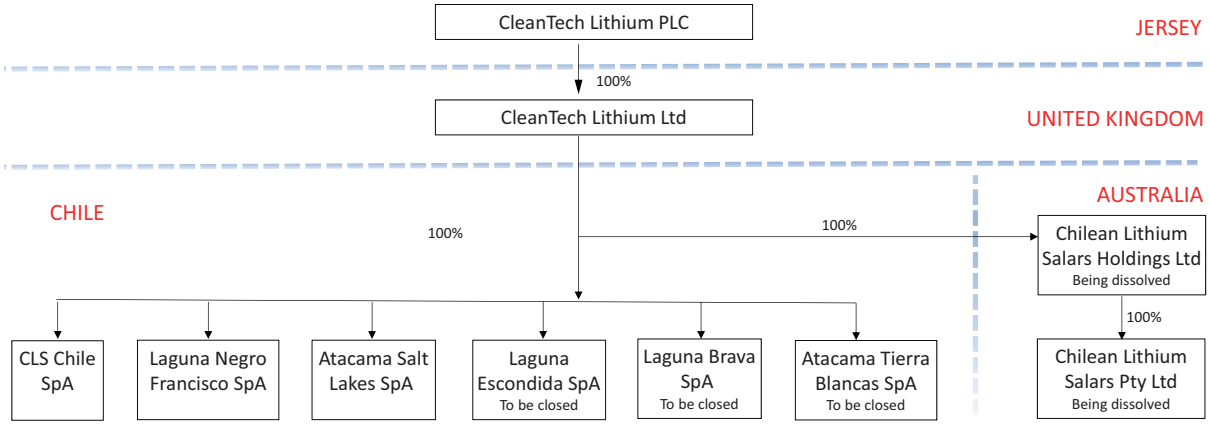
As of the date of this document the laboratory scale work is underway with the initial 60L trial completed and the 2,000L trial currently underway. Details on the process flowsheet used by Beyond Lithium are provided in the Competent Person's Report.

The DLE process developed by Beyond Lithium for the Projects is expected to be a patentable process on completion of the pilot scale work, which is the key processing pathway milestone prior to the development of a commercial scale lithium operation. The Group will retain exclusive ownership and intellectual property rights over all deliverables under the Cooperation Agreement including industrial designs and patents. The Directors believe this strategy of working with various selected DLE technology companies whilst progressing the Cooperation Agreement with Beyond Lithium based on achieving critical milestones will provide the best value enhancement.

Further details of the Cooperation Agreement with Beyond Lithium are set out in paragraph 14.7 of Part VI of this document.

4. Group Structure

The following is a diagram of the Company's Group structure as at the date of this document:



5. Summary of Licences

The Group's assets comprise two projects located in Chile; the Francisco Basin Project is at an early stage of exploration and the Laguna Verde Project has an inferred resource estimate under the JORC Code. The details of the licences within the Projects are provided in the table below. All licences with an expiry date are exploration licences, for which the Company's wholly owned subsidiaries are the registered concession holders. The holders have the right to extend the exploration concession by

making annual payments, or to convert the exploration licences into exploitation licences which have an indefinite holding period subject to licence conditions being met. Certain of the licences relating to the Laguna Verde Project are held by third parties. The Group has an option over these licences which can be exercised at its sole discretion. Further details of the Laguna Verde Option Agreement are set out at paragraph 14.6 of Part VI of this document.

Laguna Verde

Licence's Name	Type of Licence/ Status	Titleholder	Interest (%)	Expiry Date	Surface (hectares)	Comments
CT Lithium 1	Exploration	Atacama Salt Lakes SpA	100%	July 30, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 2	Exploration	Atacama Salt Lakes SpA	100%	June 29, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 3	Exploration	Atacama Salt Lakes SpA	100%	August 6, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 4	Exploration	Atacama Salt Lakes SpA	100%	July 30, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 5	Exploration	Atacama Salt Lakes SpA	100%	July 15, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 6	Exploration	Atacama Salt Lakes SpA	100%	June 29, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 7	Exploration	Atacama Salt Lakes SpA	100%	August 6, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 8	Exploration	Atacama Salt Lakes SpA	100%	July 30, 2023	200	Currently registering sentence before Mine Registrar
CT Lithium 9	Exploration	Atacama Salt Lakes SpA	100%	July 15, 2023	100	Currently registering sentence before Mine Registrar
CT Lithium 10	Exploration	Atacama Salt Lakes SpA	100%	June 29, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 11	Exploration	Atacama Salt Lakes SpA	100%	August 6, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 12	Exploration	Atacama Salt Lakes SpA	100%	July 30, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 13	Exploration	Atacama Salt Lakes SpA	100%	July 15, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 14	Exploration	Atacama Salt Lakes SpA	100%	August 26, 2023	300	Currently registering sentence before Mine Registrar

Licence's Name	Type of Licence/ Status	Titleholder	Interest (%)	Expiry Date	Surface (hectares)	Comments
CT Lithium 15	Exploration	Atacama Salt Lakes SpA	100%	August 6, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 16	Exploration	Atacama Salt Lakes SpA	100%	August 31, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 17	Exploration	Atacama Salt Lakes SpA	100%	July 9, 2023	200	Currently registering sentence before Mine Registrar
CT Lithium 18	Exploration	Atacama Salt Lakes SpA	100%	July 7, 2023	200	Currently registering sentence before Mine Registrar
CT Lithium 19	Exploration	Atacama Salt Lakes SpA	100%	August 13, 2023	200	Currently registering sentence before Mine Registrar
CT Lithium 20	Exploration	Atacama Salt Lakes SpA	100%	August 31, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 21	Exploration	Atacama Salt Lakes SpA	100%	July 9, 2023	200	Currently registering sentence before Mine Registrar
CT Lithium 22	Exploration	Atacama Salt Lakes SpA	100%	July 7, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 23	Exploration	Atacama Salt Lakes SpA	100%	August 16, 2023	200	Currently registering sentence before Mine Registrar
CT Lithium 24	Exploration	Atacama Salt Lakes SpA	100%	August 31, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 25	Exploration	Atacama Salt Lakes SpA	100%	July 9, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 26	Exploration	Atacama Salt Lakes SpA	100%	July 7, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 27	Exploration	Atacama Salt Lakes SpA	100%	August 16, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 28	Exploration	Atacama Salt Lakes SpA	100%	August 31, 2023	200	Currently registering sentence before Mine Registrar
CT Lithium 29	Exploration	Atacama Salt Lakes SpA	100%	July 9, 2023	300	Currently registering sentence before Mine Registrar

Licence's Name	Type of Licence/ Status	Titleholder	Interest (%)	Expiry Date	Surface (hectares)	Comments
Laguna I, 1 al 20	Exploitation	Sociedad Legal Minera I Una del Sector de Laguna Verde	100%	Indefinite	200	Under LV Option in favour of Atacama Salt Lakes SpA
Laguna 2, 1 al 30	Exploitation	Sociedad Legal Minera 2 Una del Sector de Laguna Verde	100%	Indefinite	300	Under LV Option in favour of Atacama Salt Lakes SpA
Laguna 3, 1 al 30	Exploitation	Sociedad Legal Minera 3 Una del Sector de Laguna Verde	100%	Indefinite	300	Under LV Option in favour of Atacama Salt Lakes SpA
Laguna 4, 1 al 30	Exploitation	Sociedad Legal Minera 3 Una del Sector de Laguna Verde	100%	Indefinite	300	Under LV Option in favour of Atacama Salt Lakes SpA
Laguna 5, 1 al 30	Exploitation	Sociedad Legal Minera 3 Una del Sector de Laguna Verde	100%	Indefinite	300	Under LV Option in favour of Atacama Salt Lakes SpA
Ximena 1 al 12 (National Role 03201-9964-6)	Exploitation	Sociedad Legal Minera Ximena Una de la Sierra La Paloma	100%	Indefinite	96	Under LV Option in favour of Atacama Salt Lakes SpA
Ximena 1 al 12 (National Role 03201-9955-7)	Exploitation	Sociedad Legal Minera Ximena Una de la Sierra La Paloma	100%	Indefinite	96	Under LV Option in favour of Atacama Salt Lakes SpA
Ximena 1 al 12 (National Role 03201-9965-4)	Exploitation	Sociedad Legal Minera Ximena Una de la Sierra La Paloma	100%	Indefinite	60	Under LV Option in favour of Atacama Salt Lakes SpA
Máximo 1 al 13 (National Role 03201-9962-K)	Exploitation	Sociedad Legal Minera Máximo Una de la Sierra La Paloma	100%	Indefinite	91	Under LV Option in favour of Atacama Salt Lakes SpA
Máximo 1 al 13 (National Role 03201-9951-4)	Exploitation	Sociedad Legal Minera Máximo Una de la Sierra La Paloma	100%	Indefinite	91	Under LV Option in favour of Atacama Salt Lakes SpA
Máximo 1 al 13 (National Role 03201-9956-5)	Exploitation	Sociedad Legal Minera Máximo Una de la Sierra La Paloma	100%	Indefinite	91	Under LV Option in favour of Atacama Salt Lakes SpA

Licence's Name	Type of Licence/ Status	Titleholder	Interest (%)	Expiry Date	Surface (hectares)	Comments
Estribillo 1 al 10 (National Role 03201-9961-1)	Exploitation	Sociedad Legal Minera Estribillo Una de la Sierra La Paloma	100%	Indefinite	100	Under LV Option in favour of Atacama Salt Lakes SpA
Estribillo 1 al 10 (National Role 03201-9952-2)	Exploitation	Sociedad Legal Minera Estribillo Una de la Sierra La Paloma	100%	Indefinite	70	Under LV Option in favour of Atacama Salt Lakes SpA
Estribillo 1 al 10 (National Role 03201-9957-3)	Exploitation	Sociedad Legal Minera Estribillo Una de la Sierra La Paloma	100%	Indefinite	100	Under LV Option in favour of Atacama Salt Lakes SpA
Rigurozo 1 al 12 (National Role 03201-9960-3)	Exploitation	Sociedad Legal Minera Rigurozo Una de la Sierra La Paloma	100%	Indefinite	96	Under LV Option in favour of Atacama Salt Lakes SpA
Riguroso 1 al 12 (National Role 03201-9963-8)	Exploitation	Sociedad Legal Minera Riguroso Una de la Sierra La Paloma	100%	Indefinite	96	Under LV Option in favour of Atacama Salt Lakes SpA
Riguroso 1 al 12 (National Role 03201-9966-2)	Exploitation	Sociedad Legal Minera Riguroso Una de la Sierra La Paloma	100%	Indefinite	96	Under LV Option in favour of Atacama Salt Lakes SpA
Esquinazo 1 al 9 (National Role 03201-9959-K)	Exploitation	Sociedad Legal Minera Esquinazo Una de la Sierra La Paloma	100%	Indefinite	81	Under LV Option in favour of Atacama Salt Lakes SpA
Esquinazo 1 al 9 (National Role 03201-9954-9)	Exploitation	Sociedad Legal Minera Esquinazo Una de la Sierra La Paloma	100%	Indefinite	90	Under LV Option in favour of Atacama Salt Lakes SpA
Esquinazo 1 al 9 (National Role 03201-9958-1)	Exploitation	Sociedad Legal Minera Esquinazo Una de la Sierra La Paloma	100%	Indefinite	72	Under LV Option in favour of Atacama Salt Lakes SpA

Licence's Name	Type of Licence/ Status	Titleholder	Interest (%)	Expiry Date	Surface (hectares)	Comments
Primor 1 al 14	Exploitation	Sociedad Legal Primor Una de la Sierra La Paloma	100%	Indefinite	98	Under LV Option in favour of Atacama Salt Lakes SpA
Bella Pinta 1 al 7	Exploitation	Sociedad Legal Minera Bella Pinta Una de la Sierra La Paloma	100%	Indefinite	42	Under LV Option in favour of Atacama Salt Lakes SpA
Franchesca 1 al 10	Exploitation	Sociedad Legal Minera Franchesca Una de la Sierra La Paloma	100%	Indefinite	60	Under LV Option in favour of Atacama Salt Lakes SpA

Francisco Basin

Concession's Name	Type of concession	Titleholder	Interest (%)	Expiry Date	Surface (hectares)	Comments
SCL 1A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 2A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 3A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 4A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 5A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 6A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 7A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022

Concession's Name	Type of concession	Titleholder	Interest (%)	Expiry Date	Surface (hectares)	Comments
SCL 8A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 9A	Exploration	Laguna Negro Francisco SpA	100%	April 20, 2022	300	Shall be converted into exploitation before expiration
SCL 10A	Exploration	Laguna Negro Francisco SpA	100%	April 20, 2022	300	Shall be converted into exploitation before expiration
SCL 11A	Exploration	Laguna Negro Francisco SpA	100%	April 24, 2022	300	Shall be converted into exploitation before expiration
SCL 12A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 13A, 1 AL 200	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	200	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 14A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 15A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 16A	Exploration	Laguna Negro Francisco SpA	100%	April 13, 2022	300	Shall be converted into exploitation before expiration
SCL 17A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 18A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 19A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022

Concession's Name	Type of concession	Titleholder	Interest (%)	Expiry Date	Surface (hectares)	Comments
SCL 20A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 21A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 22A	Exploration	Laguna Negro Francisco SpA	100%	April 20, 2022	300	Shall be converted into exploitation before expiration
SCL 23A	Exploration	Laguna Negro Francisco SpA	100%	May 8, 2022	300	Shall be converted into exploitation before expiration
SCL 24A	Exploration	Laguna Negro Francisco SpA	100%	April 24, 2022	300	Shall be converted into exploitation before expiration
SCL 25A	Exploration	Laguna Negro Francisco SpA	100%	April 13, 2022	300	Shall be converted into exploitation before expiration
SCL 26A	Exploration	Laguna Negro Francisco SpA	100%	April 20, 2022	300	Shall be converted into exploitation before expiration
SCL 27A	Exploration	Laguna Negro Francisco SpA	100%	April 20, 2022	300	Shall be converted into exploitation before expiration
SCL 28A	Exploration	Laguna Negro Francisco SpA	100%	April 24, 2022	300	Shall be converted into exploitation before expiration
SCL 29A	Exploration	Laguna Negro Francisco SpA	100%	April 14, 2022	300	Shall be converted into exploitation before expiration
SCL 30A	Exploration	Laguna Negro Francisco SpA	100%	April 20, 2022	300	Shall be converted into exploitation before expiration
SCL 31A	Exploration	Laguna Negro Francisco SpA	100%	April 20, 2022	300	Shall be converted into exploitation before expiration

Concession's Name	Type of concession	Titleholder	Interest (%)	Expiry Date	Surface (hectares)	Comments
SCL 32A	Exploration	Laguna Negro Francisco SpA	100%	April 24, 2022	300	Shall be converted into exploitation before expiration
SCL 33A	Exploration	Laguna Negro Francisco SpA	100%	April 14, 2022	200	Shall be converted into exploitation before expiration
SCL 34A	Exploration	Laguna Negro Francisco SpA	100%	April 20, 2022	200	Shall be converted into exploitation before expiration
SCL 35A	Exploration	Laguna Negro Francisco SpA	100%	April 20, 2022	300	Shall be converted into exploitation before expiration
SCL 36A	Exploration	Laguna Negro Francisco SpA	100%	May 29, 2022	300	Shall be converted into exploitation before expiration
SCL 37A	Exploration	Laguna Negro Francisco SpA	100%	April 24, 2022	300	Shall be converted into exploitation before expiration
SCL 38A	Exploration	Laguna Negro Francisco SpA	100%	April 15, 2022	200	Shall be converted into exploitation before expiration
SCL 39, 1 al 200	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	200	Pending sentence
SCL 40, 1 AL 200	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	200	Pending sentence
SCL 41, 1 AL 200	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	200	Pending sentence
SCL 42, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Pending sentence
SCL 43, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Pending sentence

Concession's Name	Type of concession	Titleholder	Interest (%)	Expiry Date	Surface (hectares)	Comments
SCL 44, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Pending sentence
SCL 45, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Pending sentence
SCL 46A	Exploration	Laguna Negro Francisco SpA	100%	January 25, 2023	100	Shall be converted into exploitation before expiration

It is the Company's intention to convert all exploration licences into exploitation licences when they reach their exploration licence expiry.

6. Information on the Projects

Laguna Verde

Location and Geography

The Laguna Verde Project is located 275km by road from the major mining centre of Copiapo, and 352km from the port of Caldera, within the Atacama region of Chile. As shown in Figure 15, the project is connected to Copiapo and Caldera via the international highway 31 which runs adjacent to the property and is a paved highway. Laguna Verde is located within 100km of CleanTech Lithium's second project, Francisco Basin, with both Projects being within 20km of the Chile-Argentina border. Highway 31 also provides a connection to Salta, Argentina, an additional base for servicing the mining and lithium sector.

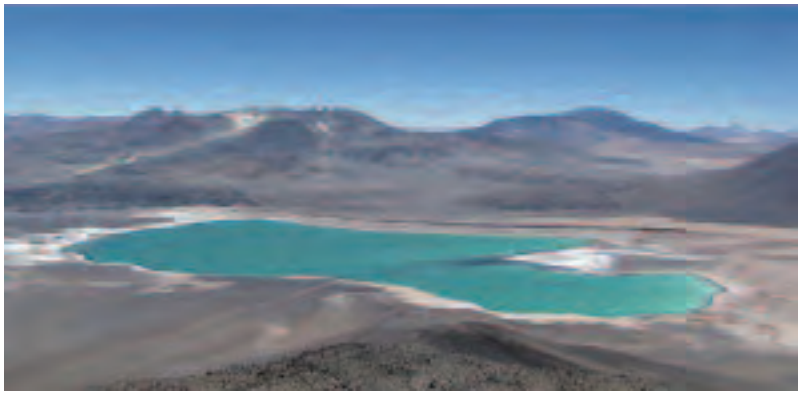
The Project is in close vicinity to Salar Maricunga, where numerous other companies have licence positions for lithium project development including major Chilean state-owned enterprise Codelco, and listed companies Sociedad Quimica y Minera (SQM), Lithium Power and Bering Resources. On the Argentinian side of the border the closest basin is Tres Quebradas, a lithium project held by Neo Lithium which was recently acquired by China's Zijin Mining for US$755 million. Aside from lithium development projects, the Atacama region is home to some of the largest operating copper and gold mines in Chile and has a regional economy heavily reliant on the mining sector.

Figure 15: Regional Map Showing Project Locations



The Laguna Verde Project is located at an altitude of 4,330m and due to the high quality paved highway running directly through the project area and adjacent to the edge of the Laguna (see Figure 15), the area is accessible all year round including during winter snow fall events when 4WD vehicles are required. The Laguna Verde drainage basin has a total area of approximately 1,000km^2 with the rims of the basin formed by high altitude volcanic mountains including Cerro Laguna Verde which reaches 5,880m. The project area covers the surface lake which forms at the topographic low point of the basin, and the surrounding area that forms the lowest altitude area of the basin which is approximately shown by the aerial view as shown in Figure 16. The Group's licence position therefore covers the surface lake and surrounding area forming a dominant position over the most prospective area for lithium exploration. The Directors believe that this is relatively rare among the Argentinian and Chilean salars that form the 'lithium triangle' where most basins have more than one or numerous companies with licence positions within the prospective area of a basin.

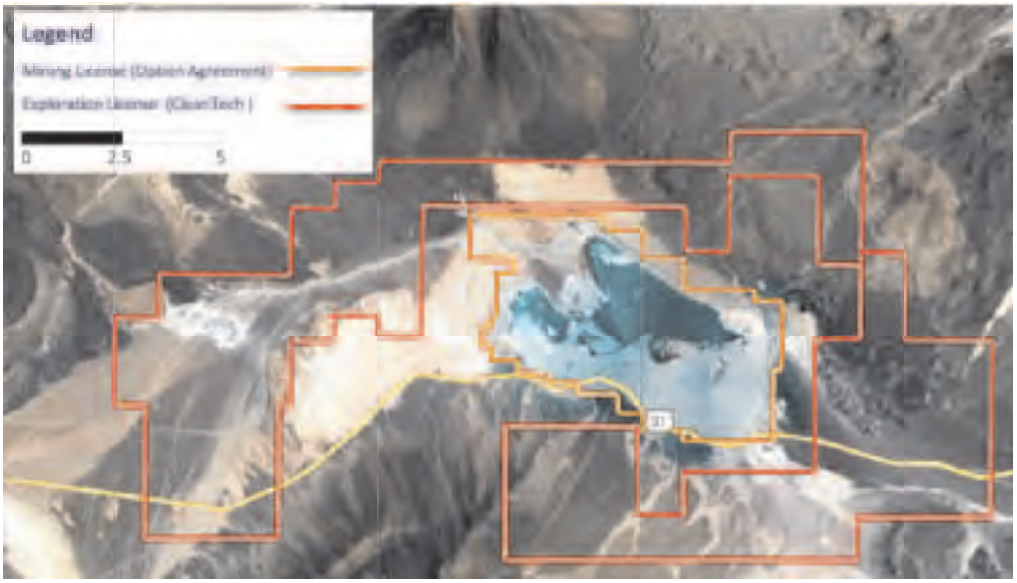
Figure 16: View of the Laguna Verde Project Area Looking North



Details of the Laguna Verde Option Agreement

As set out at paragraph 5 of this Part I, the Group currently has an indirect interest in the Concessions pursuant to the Laguna Verde Option Agreement entered into on 23 April 2021 by the Group with Vendors covering the area of the lake or lagoon within the Laguna Verde basin. The area the subject of the Concessions forms the central licence area of the Laguna Verde Project which holds the current JORC Code measured and inferred resource estimates for this Project, while surrounding exploration licences are held directly by the Group, as shown in Figure 17. Option agreements are a highly formalized aspect of the Chilean mining sector, secured by a deed agreement registered with the Ministry of Mines. On exercise of the LV Option, the ownership of the Concessions will be transferred to the Group.

Figure 17: Laguna Verde Licence Map



Pursuant to the Laguna Verde Option Agreement, the Vendors have granted Atacama the LV Option to purchase the Concessions at any time prior to the expiry of the agreement, being 20 April 2026. In consideration for the grant of the LV Option, Atacama is required to make payments to the Vendors comprising of both (i) a fixed price of US$334,000 (of which US$43,000 has been paid, with the balance payable in annual installments) and (ii) a variable price, as calculated in reference to the valuation of lithium carbonate and other commercially extractable products from the Concessions. The variable price is payable as 20 per cent. in cash and 80 per cent. through the issue of shares in CleanTech Lithium Ltd. The minimum variable price payable by Atacama under the Laguna Verde Option Agreement is US$3.5 million.

Atacama is in the process of agreeing an amendment with the Vendors to reflect that the shares to be issued in payment of the variable price will in fact be Ordinary Shares.

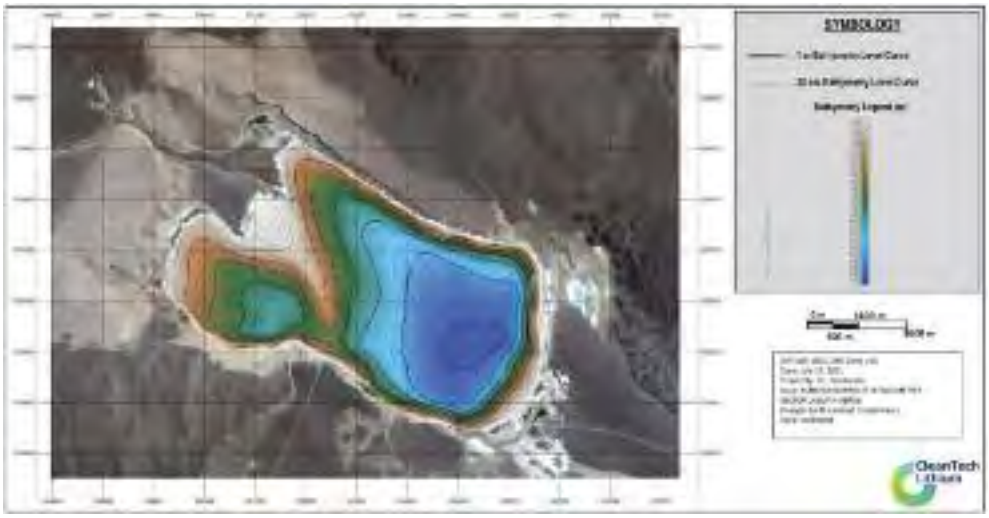
Further details of the Laguna Verde Option Agreement are set out at paragraph 14.6 of Part VI of this document.

Activities To Date and Prospectivity

Since the execution of the Laguna Verde Option Agreement in April 2021, exploration activities have focused on defining resource estimates for the surface lake and sub-surface aquifers. In May 2021, the Company engaged Geodatos Limited which specializes in advanced geophysics to undertake a grid based bathymetry survey of the surface lake. An Ecoprobe depth sounder was used to measure depths to the lake bottom based on a 200m and 400m grid spacing across the surface lake (see Figure 18). Depths ranged from 0.37m to 7.18m with an average depth of 4.03m.

As per the bathymetry map shown in Figure 18 below, the eastern side of the lake features a deeper zone and the western half is significantly shallower. The lake area was also mapped and subsequently calculated to have a total area of 15.87km^2. These calculations were used to derive a total brine volume estimate for the lake of 59.49 million m^3.

Figure 18 Bathymetry Map



Following the bathymetry survey, a sampling programme of the lake brine was completed by the Geodatos team. A total of 27 samples were collected using an approximate 800m grid pattern (see Figure 20). Of the samples, 20 were collected at the surface and 7 were collected at various depths mostly targeting the deeper eastern section of the lake with the objective of determining if the lake brine showed any stratification in brine concentration.

The samples taken at depth used a weighted bailer attached to a rope (as shown in Figure 19) which were lowered and a latch opened to collect samples at the target depth. The average lithium grade of the 27 samples was 246mg/L with a range of 235 to 259mg/L indicating the surface lake has highly consistent brine concentration and therefore lithium grades. Strong winds are a feature of high altitude basins such as Laguna Verde and mixing generated by the winds may explain the consistency.

Figure 19: Brine Sample Collection

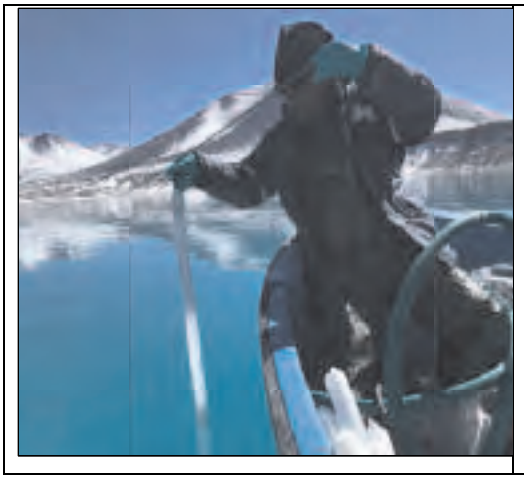
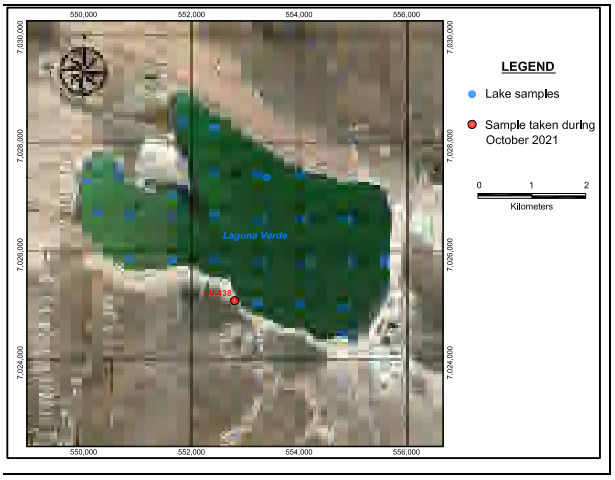


Figure 20: Brine Sampling Locations



Based on the results of the bathymetry survey and the brine sampling programme, the estimate for the surface brine resource is 77,834 tonnes of LCE at a grade of 246mg/L Li, as outlined in Table 2 below. Due to the accuracy of the bathymetry survey, the sampling density of the brine sampling programme, and the highly consistent lithium grades, this is a high confidence resource estimate which meets the measured resources category of the JORC Code.

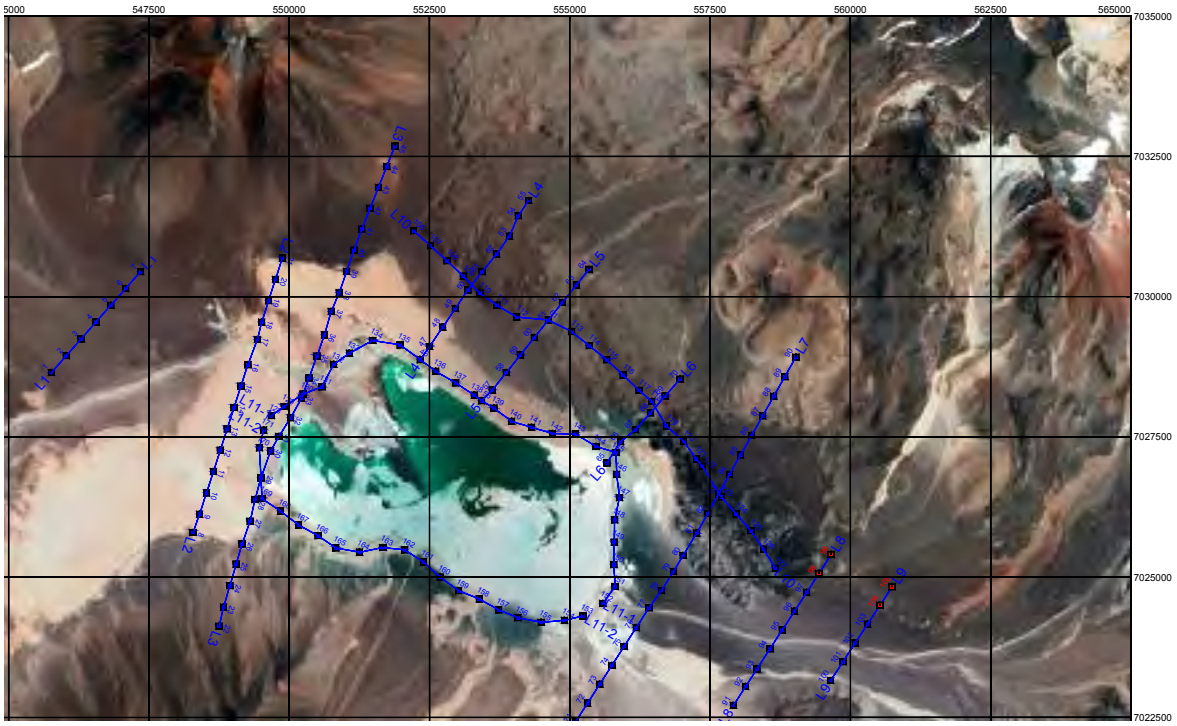
Table 2: Laguna Verde Surface Brine Resource Estimate

Surface Brine Estimated Lithium Resource		
Volume	m^3	59,490,027
Average Grade Li	mg/l	246
Measured Resource (LCE)	tons	77,834

CPR Table 9

In the sub-surface of Laguna Verde, CleanTech Lithium has targeted the definition of a lithium resource estimate in the sediment hosted sub-surface aquifers. This is the typical resource style targeted in lithium exploration projects throughout the lithium triangle, as surface brine resources such as that featured at Laguna Verde are very rare. In May 2021, the Group engaged Geodatos to undertake a TEM survey of the sub-surface sediments. TEM surveys are based on generating pulses of electric current to measure the electrical resistance or resistivity and therefore an interpretation of the properties of sub-surface material. A total of 11 lines and 171 stations were completed as per the map below.

Figure 21: Map of the TEM Survey at Laguna Verde



TEM is particularly effective for identifying hypersaline aquifers as hypersaline water produces the lowest resistivity of any sediment or aquifer based on the dissolved salt ions being highly conductive. At Laguna Verde, this is particularly well defined as, outside the margins of the salar, the low resistivity starts at the same level as the hypersaline lake. The results of the survey delineated a sub-surface aquifer connected to and directly beneath the footprint of the lake with an interpreted 300m aquifer depth or thickness, as shown in Figure 22.

Resistivity is measured in units of Ohm-m, where readings of less than 2 Ohm-m are generated by hypersaline brine aquifers. Based on the readings from the TEM line around the perimeter of Laguna Verde, which showed a thick and consistent low resistivity layer, a 3D model was built for the less than 2 Ohm-m unit. This model is shown in Figure 23, which importantly shows a large zone of very low resistivity (less than 0.7 Ohm-m) between depths of approximately 100 – 300m. This indicates that brine concentration can be expected to increase at depth, which is consistent with salar basin hydrogeology whereby denser (higher concentration) brines sink vertically over time.

Figure 22: Depth of Sub-Surface Aquifer

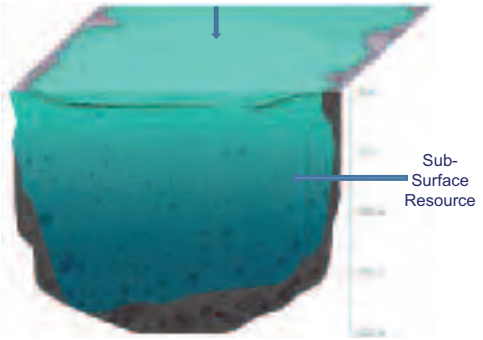
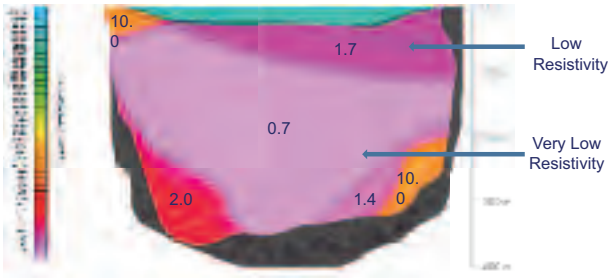


Figure 23: Sub-Surface Resistivity Model



Based on the model of the less than 2 Ohm unit, sediment volume for the sub-surface aquifer is calculated to equal 8.1 billion m^3. To calculate aquifer volume, a specific yield of 11 per cent. was applied, which is consistent with volcanic origin sediments that infill the Laguna Verde basin. The lithium grade of the surface brine resource which averaged 246mg/L is applied to the sub-surface resource providing significant exploration upside considering the low resistivity zone at depth. The estimate for

the sub-surface brine resource is 1.16 million tonnes of LCE at a grade of 246mg/L Li, as outlined in Table 3 below. This meets the inferred resource category of the JORC Code.

Table 3: Laguna Verde Sub-Surface Brine Resource Estimate

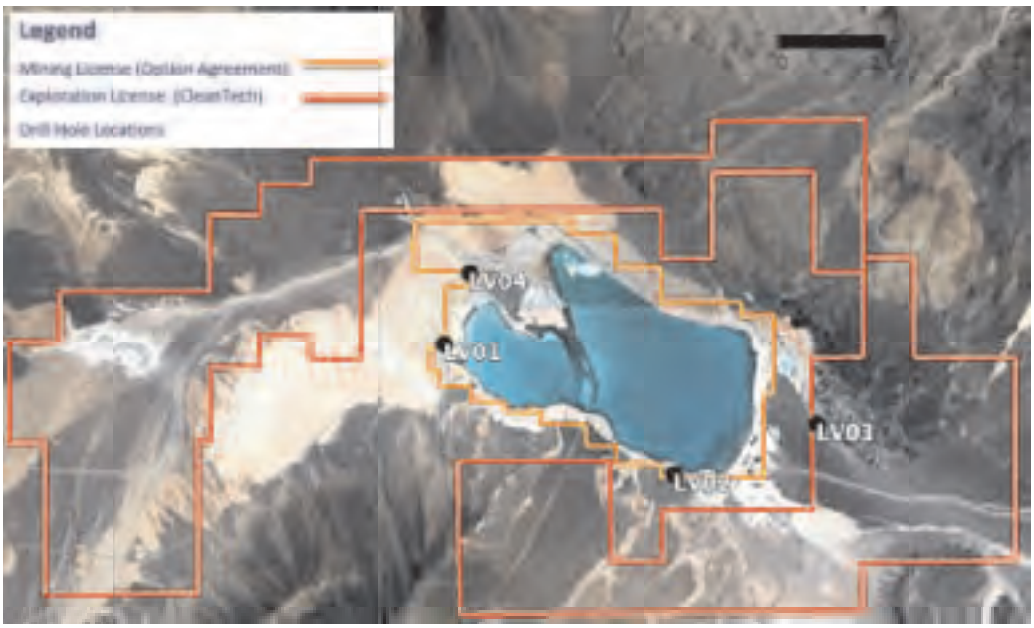
Sub-Surface Resource		
Volume	m^3	8,100,000,000
Estimated Specific Yield	%	11%
Average Grade Li	mg/l	246
Inferred Resource (LCE)	Tons	1,165,750

CPR Table 10

CleanTech Lithium considers the current sub-surface resource estimate to have significant exploration upside. Phase 1 resource drilling at Laguna Verde aimed at upgrading the current inferred resource estimate commenced in January 2022. The programme encompasses four drill holes with the locations shown in Figure 24, which were selected to fulfil three objectives:

- Drill the four sides of the Laguna Verde surface lake,
- Intercept the low TEM resistivity (Ohm-m) zones,
- Locate the drillholes in a 2.5km to 5km grid to produce a resource estimate in the Measured and indicated category under the JORC Code.

Figure 24: Laguna Verde Phase 1 Drilling Locations



Post the completion of this drill programme, additional geophysics will be planned using both TEM and gravity based surveys to further test the depth of the basin and the location of prospective aquifers. The TEM survey completed in May 2021 used an electromagnetic loop that reached approximately 300m in depth which constrains the current resource model. Previous gravity surveys completed at the Laguna Verde basin by major gold mining companies which targeted the basin for process water, interpreted the basin to have a depth of approximately 1,000m. The results of this survey work will inform a second phase of planned exploration drilling at Laguna Verde focused on further hydrogeological evaluation of the basin and to further expand and upgrade resource estimates.

Francisco Basin

Location and Geography

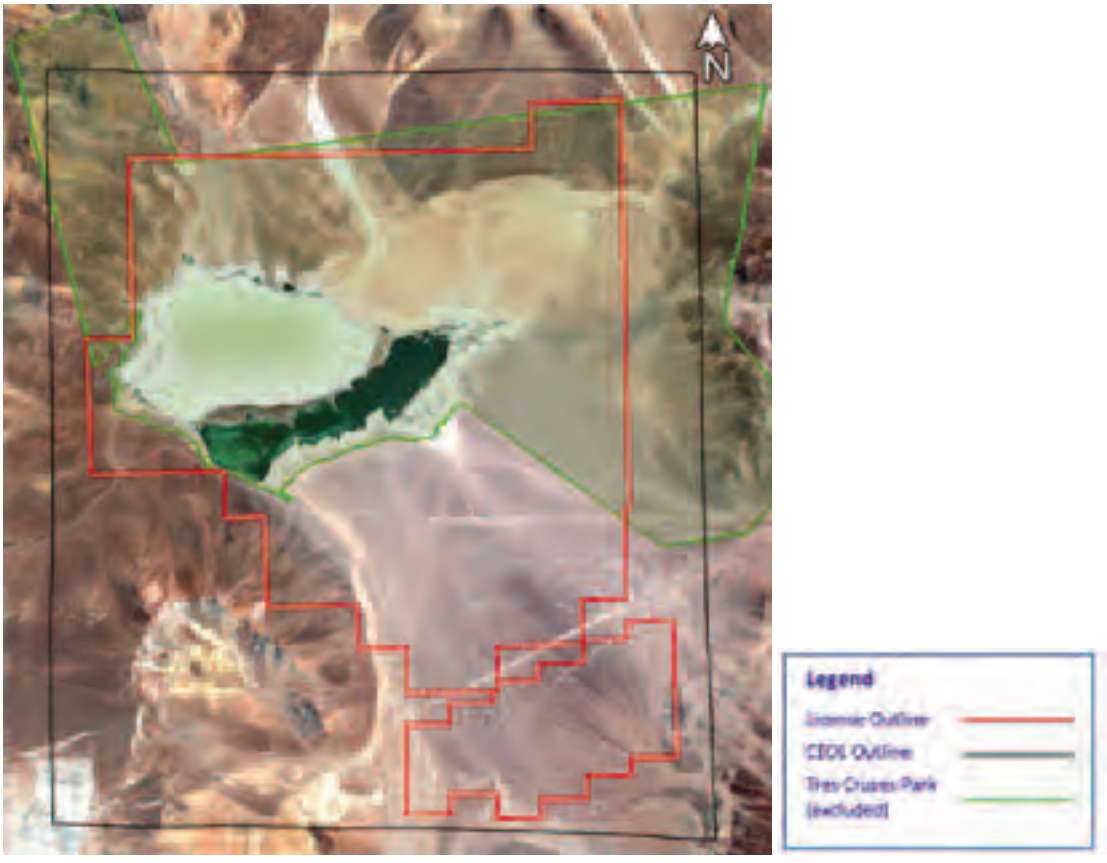
The Francisco Basin Project is located approximately 192km northeast of the major mining centre of Copiapo (230km by road), within the Atacama region of Chile (see Figure 25). Francisco Basin is located within 100km of CleanTech Lithium's more advanced Laguna Verde Project, and is 60 kilometers south of Salar Maricunga at an altitude of 4,200 meters above sea level. Access to the Project is excellent via regional highways and several minor roads into the salar, as shown in Figure 25.

Figure 25: Francisco Basin Access Routes



CleanTech Lithium has a large total licence position at Francisco Basin totalling 110km^2. Of this area, approximately 60km^2 falls within the Tres Cruces National Park, which is effectively excluded from the Project area. In January 2022, CleanTech submitted a production permit application for Francisco Basin, which for lithium projects in Chile is called a Special Contract for Lithium Operations (Spanish abbreviation "**CEOL**"). The area of the park is cut out from the applied for production area. This is shown in Figure 26 below, which was part of the CEOL application.

Figure 26: CEOL Application Map Showing National Park Area Excluded



The Group's exploration activities and planned operations are focused on the southern plain which rises at a gentle slope from the low point of the basin where a shallow surface lake forms (less than 1m depth). This area has a number of existing mining haul roads traversing the licences which service the large Maricunga gold mine located several kilometers west of the project area. Water supply pipelines and power lines also traverse the Project area.

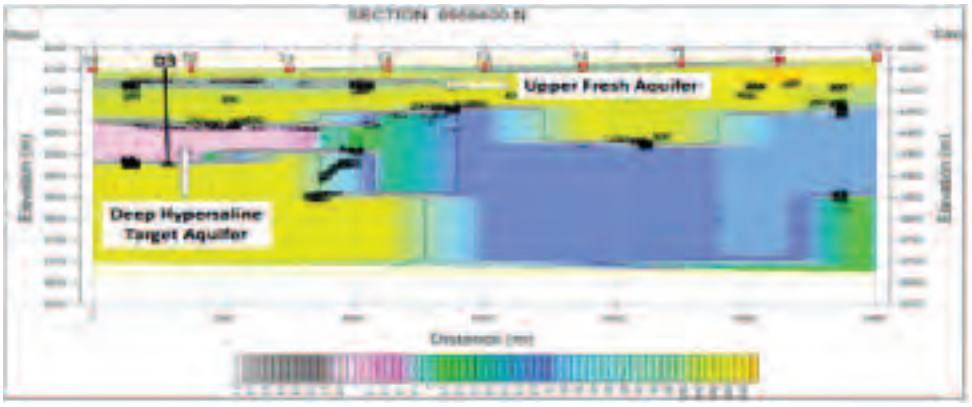
Figure 27: Francisco Basin Looking South



Activities to Date and Prospectivity

The Group completed surface sampling at Francisco Basin in 2018. Ten samples were collected from the surface brine, which recorded an average lithium grade of 375mg/L. A TEM survey was undertaken shortly after which involved 81 stations across the southern plain of the basin. The TEM survey identified a 10 – 15km^2 area of low resistivity with an average thickness of approximately 70m. This is the primary target for planned exploration activities, although a secondary deeper target aquifer was also identified which requires a second phase of geophysics to further define. In 2018 a reconnaissance drill hole was drilled within the target area. The drill hole reached the target depth of 220m however the hole collapsed before casing and sampling, largely due to a high pressure fresh water aquifer in the upper 20m of the hole (see cross section in Figure 28). The drill hole did confirm the TEM model of aquifer thickness, and the presence of large volumes of water and brine.

Figure 28: Francisco Basin Surface Sampling



Phase 1 of the resource drill programme encompasses four drill holes, as shown in Figure 30, targeting the low TEM resistivity zone identified from a depth of approximately 100m to 220m. The aim of the programme is to produce an inferred resource estimate under the JORC Code. The drilling programme restarted in February 2022.

Figure 29: Drilling at Francisco Basin



Figure 30: Drill Hole Plan



Post the completion of this drill programme, additional geophysics will be planned using both TEM and gravity based surveys to further test the depth of the basin and the location of prospective aquifers. The results of this survey work will inform a second phase of planned exploration drilling at Francisco Basin focused on further hydrogeological evaluation of the basin and to further upgrade the resource estimate.

Planned Expenditure

The Group's strategy for the progression of its assets is to continue exploration aimed at upgrading the current resource estimate at the Laguna Verde Project and to produce a maiden resource estimate for the Francisco Basin Project. At the same time, the Company is focused on progressing DLE test-work which will advance from laboratory scale work which aims to produce 1kg of battery grade lithium carbonate to the building of a pilot plant that will produce 10 tonnes per month of battery grade LCE. With the planned exploration and pilot scale production programmes, the Directors believe that the Laguna Verde and Francisco Basin Projects have the potential to emerge as a new supplier of environmentally sustainable lithium thereby creating value for Shareholders.

Over the 18 month period from 1 January 2022, the Company has budgeted a total expenditure of approximately £8.7 million which covers overheads, land holding fees, IPO costs and the following key exploration activities and DLE test-work:

- Laguna Verde: £920,000 for completing an initial four-hole programme of wide diameter RC and diamond drill holes. The drilling programme will proceed in two phases over the 2022 and 2023 drilling seasons with the first phase focused on upgrading the existing resource estimate which is classified as inferred under the JORC Code, into a measured plus indicated resource estimate. Both the wide diameter RC drilling method and the diamond drilling method provide the opportunity to install cased holes that can be pump tested, and ultimately converted to production bores or hydrogeological monitoring wells.

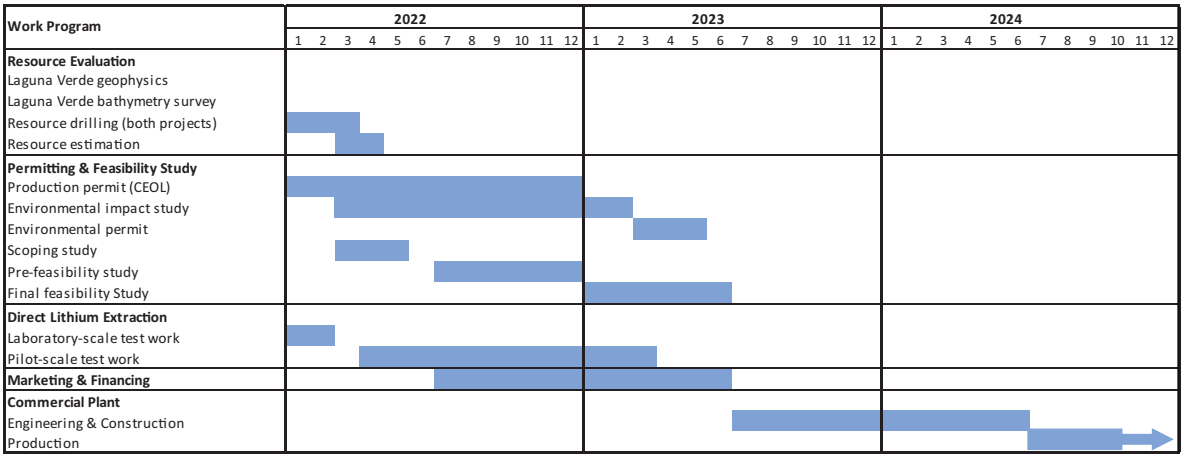
- The second phase of drilling in 2023 will comprise a larger number of holes and utilise various drilling methods in order to achieve a further upgrading of the resource category, installation of production bores and hydrogeological evaluation of the basin including brine re-injection. The second phase has not been budgeted at present as the final planning of the programme will be influenced by the results achieved in the first phase of work.

- Francisco Basin: £1,140,000 for completing an initial four-hole programme using the same drilling methods as described for Laguna Verde. At the Francisco Basin the first phase of drilling will test the 10 – 15km^2 area identified by geophysics with the aim of establishing a maiden Inferred resource estimate at the Project. Phase two in 2023 will focus on upgrading the resource estimate, installation of production bores and hydrogeological evaluation of the basin including brine re-injection.

- DLE test-work: £2,153,000 for the completion of laboratory scale and pilot scale direct lithium extraction test-work. The laboratory scale test-work is proceeding over a six-month period which aims to produce 1kg of battery grade lithium carbonate. The major component of this budget is the engineering and construction of a pilot scale plant, over a period of one year, that aims to produce 10 tonnes of battery grade LCE per month. This work will be undertaken by Beyond Lithium, a leading consultant in direct lithium extraction with whom CleanTech Lithium Ltd has entered the Cooperation Agreement. The process developed for the Project is expected to be a patentable process and the Group will retain full rights to the patent. Pilot scale production will be a critical stepping stone on the path to becoming a commercial scale lithium producer.
- Environmental, permitting and feasibility studies: £1,337,000 for completion of an environmental impact study and a subsequent application for an environmental permit; the completion of the CEOL's, which have been submitted for both Projects in January 2022; and finally for the Laguna Verde Project both a scoping study and pre-feasibility study have been budgeted for completion in 2022 and a final feasibility study has been scheduled in 2023.

Work Programme Schedule

The work programme schedule to execute the Group's strategy is presented below. The Directors believe that the schedule is challenging but achievable and by executing this work programme CleanTech Lithium will target the commencement of construction of a commercial scale DLE operation in the second half of 2023 and production in the second half of 2024.



Further details of the planned work programmes on the Projects can be found in Section 9.2 of the Competent Person's Report at Part IV of this document.

7. Overview of Chile

Chile is among the highest income countries in Latin America and has the highest investment grade rating in the region (S&P A, Moody's A1). It is among the most economically and socially stable nations in South America and leads the region in rankings for competitiveness, economic freedom, openness to investment, and low perception of corruption. Because of the importance of mining to the Chilean economy, mining law in Chile is advanced and similar to that found in other mining-dominated jurisdictions such as Australia, Canada and certain states such as Nevada in the USA. The law is transparent and effective, making Chile a place where mining companies want to do business. Under Chilean law, the state owns all mineral resources. Exploration and exploitation of these resources is permitted through mining licences. There are two types of mining licences in Chile: exploration licences and exploitation licences, as discussed below.

Exploration Licences ("Pedimento")

The titleholder of an exploration concession has the right to carry out all types of mining exploration activities within the area of the concession. For each exploration concession the titleholder must pay an annual fee of approximately US$1.10 per hectare to the Chilean Treasury.

These exploration licences have a life of two years. At the end of this period, they may be renewed as an exploration concession for two further years in which case at least 50 per cent. of the surface area must be reduced, or they may be converted, totally or partially, into exploitation licences, referred to with the term “Pertenencia” in Spanish.

A titleholder with the earliest dated exploration concession has a preferential right to an exploitation concession in the area covered by the exploration concession. This right extends over any third parties with a later-dated exploration concession for that area or without an exploration concession at all.

Parts of the Group’s exploration licences CT Lithium 1 to CT Lithium 25 (inclusive) overlap with prior dated third party exploration licences which therefore have preferential rights to exploitation concessions over the overlapped areas should the third party wish to apply for the same. However, none of these licences are the exploitation licences that constitute the Concessions covering the central licence area of the Laguna Verde Project which holds the current JORC Code measured and inferred resource estimates for the Project.

Exploitation Licences (“Pertenencia”)

The titleholder of an exploitation concession is granted the right to explore and exploit the minerals located within the area of the concession and to take ownership of the minerals that are extracted.

Exploitation licences are a permanent property right, with no expiration date. An annual fee is payable to the Chilean Treasury in relation to each exploitation concession of approximately US$5.80 per hectare, paid between March and May every year. Where a titleholder of an exploration concession has applied to convert the exploration concession into an exploitation concession, the application for the exploitation concession and the exploitation concession itself is back dated to the date of the exploration concession.

Chilean Environmental Regulations

Generally, the environmental protection measures that mining companies must adopt depend on the environmental components that may be affected by the mine’s operation, such as water resources that might be polluted by mining waste, or communities settled nearby that could be affected in any way by the operations. Chile’s environmental law (Law No 19.300), which regulates all environmental activities in the country, was first published on 9 March 1994. There are two types of environmental review, an Environmental Impact Statement (“**Declaración de Impaco Ambiental**”, or “**DIA**”), and an Environmental Impact Assessment (“**Evaluación de Impacto Ambiental**”, or “**EIA**”).

A DIA must be approved prior to the start of certain exploration and for all mining activities. The regulations provide an exemption from the need to prepare a DIA during the ‘exploratory stage’ when the extent of the orebody is being determined. A DIA is prepared in cases when the applicant believes that there will be no significant environmental or social impacts as a result of the proposed exploration or mine development activities. The potential impacts include areas such as health risks, contamination of soils, air and/or water, relocation of communities or alteration of their ways of life, proximity to “endangered” areas or archaeological sites, alteration of the natural landscape, and/or alteration of cultural heritage sites. The DIA will include a statement from the applicant declaring that the project will comply with the current environmental legislation, and a detailed description of the type of planned activities, including any voluntary environmental commitments that might be completed during the project.

An EIA must be prepared in cases where there is expected to be significant environmental or social impacts, as described in the previous paragraph.

To date, CleanTech has applied for one drilling programme at Laguna Verde and two drill programmes at Francisco Basin, and these programmes have been received and approved without the requirement to submit either a DIA or an EIA, which exploration drill programmes can be subject to. The Company’s permitting plan for mining activities assumes an EIA will be required. Baseline studies for an EIA submission will begin in the first quarter of 2022.

Chilean Lithium Exploitation Regulations – CEOL

Lithium, uranium, and thorium are technically reserved to the state of Chile for the Chilean National Nuclear Commission. In accordance with Chilean law, lithium shall be explored and exploited only

under the following circumstances: (i) by the State or its companies; (ii) under an administrative concession granted by the Chilean State; or (c) by virtue of a CEOL executed between the Company and the Chilean State, as owner of the mineral. The provision of the CEOL, shall regulate the terms and conditions for the exploitation, and benefit of the lithium reserves (e.g., royalty, volume, term, operation, guarantees, termination, assignment, among others).

The Ministry of Mining's Exempt Resolution number 786 sets the rules for admission and process of any request of a CEOL for lithium and other minerals ("Res 786"). On 13 October 2021, the Ministry published the royalty rate required for a CEOL application. The rate is based on a percentage of operating profit, starting at 7 per cent. for an operating margin up to 35 per cent., which then scales up providing a marginal and effective rate, as shown in Table 4 below.

Table 4: CEOL Royalty Rate Indexed to Operating Profit Margin

Annual Operating Margin	Progressive and Marginal Rate	Effective Rate	Annual Operating Margin	Progressive and Marginal Rate	Effective Rate
up to 35,00%	7.00%	7.00%	68.00%	25.50%	11.96%
36.00%	10.50%	7.08%	69.00%	25.50%	12.16%
37.00%	10.50%	7.16%	70.00%	25.50%	12.36%
38.00%	10.50%	7.24%	71.00%	30.00%	12.60%
39.00%	10.50%	7.31%	72.00%	30.00%	12.83%
40.00%	10.50%	7.38%	73.00%	30.00%	13.06%
41.00%	13.00%	7.50%	74.00%	30.00%	13.28%
42.00%	13.00%	7.62%	75.00%	30.00%	13.50%
43.00%	13.00%	7.73%	76.00%	33.50%	13.76%
44.00%	13.00%	7.84%	77.00%	33.50%	14.01%
45.00%	13.00%	7.94%	78.00%	33.50%	14.25%
46.00%	15.50%	8.10%	79.00%	33.50%	14.49%
47.00%	15.50%	8.24%	80.00%	33.50%	14.72%
48.00%	15.50%	8.39%	81.00%	36.50%	14.99%
49.00%	15.50%	8.52%	82.00%	36.50%	15.25%
50.00%	15.50%	8.65%	83.00%	36.50%	15.51%
51.00%	18.00%	8.72%	84.00%	36.50%	15.76%
52.00%	18.00%	8.99%	85.00%	36.50%	16.00%
53.00%	18.00%	9.15%	86.00%	36.50%	16.00%
54.00%	18.00%	9.31%	87.00%	36.50%	16.00%
55.00%	18.00%	9.45%	88.00%	36.50%	16.00%
56.00%	20.50%	9.64%	89.00%	36.50%	16.00%
57.00%	20.50%	9.82%	90.00%	36.50%	16.00%
58.00%	20.50%	10.00%	91.00%	36.50%	16.00%
59.00%	20.50%	10.17%	92.00%	36.50%	16.00%
60.00%	20.50%	10.33%	93.00%	36.50%	16.00%
61.00%	23.50%	10.54%	94.00%	36.50%	16.00%
62.00%	23.50%	10.74%	95.00%	36.50%	16.00%
63.00%	23.50%	10.94%	96.00%	36.50%	16.00%
64.00%	23.50%	11.13%	97.00%	36.50%	16.00%
65.00%	23.50%	11.31%	98.00%	36.50%	16.00%
66.00%	25.50%	11.53%	99.00%	36.50%	16.00%
67.00%	25.50%	11.75%	100.00%	36.50%	16.00%

As a CEOL is a contract which relates to the production of lithium, an exploration and development company such as CleanTech Lithium does not require a CEOL until it has completed its final feasibility

studies and shifts to the production phase. However, the Company decided to submit applications at an early stage for both of the Company's Projects and these were submitted in January 2022. These applications will be progressed during 2022, however the CEOL applications are not required at this stage and have no effect on the Company's ongoing exploration and development operations or other licences.

Chile's Constitutional Convention

Chile is currently undertaking a process to draft a new constitution which is expected to be finalised in July 2022. The ratification of the new constitution will require further plebiscite which is expected in October 2022.

The new constitution is being determined by a constitutional convention made up of 155 elected members. All articles proposed to the constitutional convention require the approval of two-thirds of members for the article to be adopted in the new constitution.

There are 10 thematic commissions which will propose articles to the constitutional convention after discussing and voting on draft articles internally. The environmental commission has approved an article regarding the nationalisation of Chile's copper, precious metals and lithium industries. This article will, unless it is withdrawn, be among the several hundred articles to be proposed to the constitutional convention.

As there are no political parties or factions that reach one third of constituents within the constitutional convention, it is expected the articles that are adopted by the new constitution will require a high level of consensus and result in politically moderate outcomes, as is Chile's tradition. Whilst the Directors believe it is highly unlikely, if the proposal to nationalise Chile's copper, precious metals and lithium industries were to be adopted, it could result in the Company having its projects nationalised.

Further details of the constitutional convention are set out under the "*Chile's constitutional convention*" risk factor in Part II in this document.

8. Reasons for Admission and Use of Proceeds of the Placing

The Company is seeking Admission in order to take advantage of AIM's profile, broad investor base, liquidity and access to institutional and other investors and to further support the achievement of its development plans and strategic objectives.

In Q4 2021 the Company raised approximately £4 million of pre-IPO money. In conjunction with Admission, it is now conducting a placing raising £5.6 million from existing and new investors. Following the Placing the Company will have a cash balance of £7.8 million which will be used to:

- Execute the Group's exploration programmes at the Projects, DLE pilot plant construction, and permitting, environmental and feasibility studies, as outlined under Planned Expenditure in paragraph 6 of this Part I, and as summarised in Table 5, below.
- Pay professional and other related costs of Admission.
- Provide the Company with general working capital.

Table 5: Summary of the 18 month Exploration and Evaluation Work Programme

Programme	
Laguna Verde Resource Drilling	£920,000
Francisco Basin Resource Drilling	£1,140,000
DLE test-work and Pilot Plant	£2,153,000
Environmental and other Permitting and Feasibility Studies	£1,337,000
Total	£5,550,000

The above work programme commenced in late 2021, which is before Admission, and is expected to complete in mid-2023.

9. Details of the Placing

The Placing comprises the issue of 18,666,667 Placing Shares by the Company at the Placing Price representing approximately 23.6 per cent. of the Enlarged Share Capital and will raise £5.6 million gross (approximately £4.8 million net of expenses) for the Company. On Admission, it is expected that the Company will have a market capitalisation of approximately £23.7 million at the Placing Price.

The Company, the Directors, Jason Baverstock, Luke Jarvis, Beaumont Cornish and Fox-Davies have entered into the Placing Agreement relating to the Placing, pursuant to which, subject to certain conditions, Fox-Davies has conditionally agreed to use reasonable endeavours to procure subscribers for the Placing Shares to be issued by the Company in the Placing.

The Placing has not been underwritten by Fox-Davies.

The placing of the Placing Shares is conditional, among other things, upon the Placing Agreement becoming unconditional (including Admission taking place at 8.00 a.m. on 17 March 2022 (or such later time and/or date as Beaumont Cornish, Fox-Davies and the Company may agree, not being later than 8.00 a.m. on 28 March 2022) and not having been terminated in accordance with its terms prior to Admission.

The Placing Shares will be issued credited as fully paid and will, on Admission, rank *pari passu* in all respects with the Existing Ordinary Shares including the right to receive all dividends and other distributions declared, paid or made after Admission.

Mr Stein has agreed to subscribe for 166,666 Placing Shares pursuant to the Placing.

The Placing Shares will, following their issue, represent approximately 23.6 per cent. of the Enlarged Share Capital.

Further details of the Placing Agreement are set out in paragraph 14.1 of Part VI of this document.

10. Financial information

The Company is a newly incorporated company and has not yet commenced trading. The accountants' report and audited financial information of the Company for the period from incorporation on 1 December 2021 to 31 December 2021 is included in Section A "*Accountant's Report on the Historical Financial Information of the Company*" and Section B "*Historical Financial Information of the Company*" respectively of Part III of this document.

The accountants' report and the audited consolidated financial information of the Underlying Group comprising: CleanTech Lithium Ltd, Chilean Lithium Salars Holdings Pty Ltd, Chilean Lithium Salars Pty Ltd, CLS Chile SpA, Laguna Negro Francisco SpA, Laguna Escondida SpA, Laguna Brava SpA, Atacama Tierras Blancas SpA, and Atacama Salt Lakes SpA for the three years ended 31 December 2018, 31 December 2019 and 31 December 2020 are included in Section C "*Accountant's Report on the Historical Financial Information of the Underlying Group*" and Section D "*Historical Financial Information of the Underlying Group*" respectively of Part III of this document.

The unaudited consolidated interim financial information of the Underlying Group for the six month period ended 30 June 2021 including comparative figures for the six month period to 30 June 2020 is set out in Section E "*Interim Financial Information of the Underlying Group*" of Part III of this document.

The accountants' report and unaudited proforma statement of net assets of the Company as at 31 December 2021 is set out in Sections F "*Accountant's Report on the Unaudited Pro Forma Financial Information of the Company*" and Section G "*Unaudited Pro Forma Financial Information of the Company*" of Part III of this document.

11. Current Trading

The current trading of the Group is in line with management's budgets and forecasts. Since 30 June 2021, namely the date of the unaudited consolidated interim financial statements, the Group has raised approximately £4 million by the issue of shares. In addition, the Group has commenced its initial work programme on its two core assets: Laguna Verde and on Francisco Basin.

The Directors believe the outlook for the Group remains positive with near-term operational progress and milestones expected.

The Company has a financial year end of 31 December and it intends to publish audited financial results for the Group for the period ended 31 December 2021 on or before 30 June 2022.

12. Directors, Senior Management, Employees and Technical Advisory Board

Short biographies of the Directors and details of their roles, including the principal activities performed by the Directors outside the Group, are set out below.

Steve Bogdan Kesler (age 70) – Non-Executive Chairman

Steve Kesler is a senior international mining executive with over 40 years of experience with majors and juniors across the mining lifecycle from exploration, feasibility, project development, construction, operations, restructuring, financing and marketing in multi-commodities – lithium, uranium, copper, nickel, zinc, coal/lignite, gold/silver and iron ore.

Steve has held a number of CEO/President positions including at European Lithium (ASX – lithium in Austria), Marampa Iron Ore Ltd (BVI – iron ore in Sierra Leone), Greystar Resources Ltd (TSX/AIM – gold in Colombia), URS Corporation – Mining Division (USA – multi commodity/multi jurisdiction). Between 1997 and 2001, Steve was Executive Director Base Metals and New Business (UK and South Africa) at Billiton Plc where he was responsible for base metals business development, mergers and acquisitions, mineral technology and project development. Prior to that he served as CEO/President of Pacific Nickel Ltd (Australia), Pacific Nickel Holdings (Hong Kong), and Philnico (nickel in Philippines).

Steve has valuable experience in Chile having held a senior executive position at the world's largest copper mine, Minera Escondida, (VP Business Development), and was the first CEO of the second largest copper mine, Cia Minera Dona Ines de Collahuasi. He has served as company representative to the Mining Council of Chile.

As a non-executive Chairman, Steve offers broad strategic, technical and commercial strengths to the Board, with experience as a director of public companies in the UK (FTSE 100 and AIM) and their listing, reporting and governance, along with significant experience in M&A transactions.

Steve holds a degree in Mining Engineering and Ph.D in Mineral Technology both from Imperial College, London and is a Fellow of the Institute of Materials, Minerals and Mining.

Aldo Jose Boitano de Moras (age 55) – Chief Executive Officer

Aldo Boitano is a co-founder of CleanTech Lithium and has 25 years of experience in senior management roles in the US and Chile. Aldo has been CEO of Vertical S.A. and of Vertical LLC, General Manager of the El Colorado/Farrelones Ski Centres, Chile's largest ski field with over half a million annual visitors, and General Manager of Drillco Tools USA, a specialist in innovative drilling services.

Aldo received a degree in Civil Industrial Engineering from the University of Chile, and an MBA from UNC-Charlotte Belk School of Business, and a Doctoral Degree in Organisational Leadership at Pepperdine University in the United States with a dissertation research on the relation of Leadership, Culture and Innovation. Aldo served a 5-year term as a board member of the International Leadership Association and in 2017 was appointed Ambassador of 'Hay Mujueres', a successful Latin American women's leadership network. Aldo is a world class mountaineer including having led an expedition of K2, and was the Associate Producer of the TV series Patagonia Adventures.

Aldo is an expert in the Internet of Things (IoT) and emerging IoT applications. He is a partner and board member of eGreen, a tech company aiming to accelerate disruptive green financial tools to reduce environmental impact. Aldo is a partner and board member of Electra SpA, a solar energy development company with three large scale solar projects in Chile. He is a pioneer in Chile's solar industry with more than 800MW of projects deployed.

Gordon Bowman Stein (age 63) – Chief Financial Officer

Gordon Stein is a globally experienced, commercial CFO and Finance Director with over 30 years' expertise in the energy and other sectors in both executive and non-executive director roles. Gordon

has had senior roles in AIM listed companies including joint CEO of Madagascar Oil Limited and Non-Executive Director and then CFO of Columbus Energy Resources plc, an oil & gas company with operations in Trinidad and Suriname, until it merged with another public company in early August 2020. He currently serves as Non-Executive Director and Chairman of the Audit and Remuneration Committees of Zephyr Energy plc, the Rocky Mountain oil & gas company listed on AIM.

Gordon is a member of the Chartered Institute of Public Finance & Accountancy with a strong track record of financial management and advisory support for start-up, medium and major companies. Dedicated to building strong finance teams which are commercially relevant and integral to the business, Gordon brings a wide skillset across fund-raising, business planning, commercial modelling, strategy, mergers and acquisitions, financial control and business development.

Jonathan Charles Rowell Morley-Kirk (age 60) – Non-Executive Director

Jonathan Morley-Kirk has more than 30 years of experience including 17 years in Non-Executive Director roles with expertise in financial controls, corporate governance, reporting (GAAP/IFRS), audit, remuneration, capital raisings, taxation/structuring and risk management.

Jonathan has held senior roles across a range of public (AIM, ASX and TSX listed) and non-public companies, mainly in natural resources, energy and investments sectors including Director and CFO of Longreach Oil and Gas Limited, Director of Nyota Minerals Limited and CFO at Fox-Davies Capital. He is currently a Non-Executive Director and Chairman of the Standard Listed Amala Foods PLC and Bluebird Merchant Ventures Ltd.

The Board is supported by an experienced senior management team including the following individuals:

Jason Paul Baverstock – Executive Strategy & Development

Jason Baverstock has 20 years of finance and mining sector experience in China, Hong Kong and Australia, and along with Aldo Boitano is a co-founder of CleanTech Lithium. In 2010 Jason founded Salt Lake Potash which listed on the ASX in 2015. He was a director of Salt Lake Potash up until February 2017, when the company's market capitalisation had grown from AUS$10 million at listing to over AUS$200 million.

Luke Jarvis – Group Commercial and Corporate Officer

Luke Jarvis has 30 years of experience in senior roles in the chemical sector including with Helm Chemical, Nutrien Inc, Salt Lake Potash and Sirius Minerals, now a division of Anglo American. He joined CleanTech Lithium in July 2019. Luke is a specialist in marketing strategy and funding leading to bankable off-take agreements for new entrants in the resource sector.

The Board and senior management will be supported by a technical advisory board comprised of:

Marcelo Bravo Veas

Marcelo is CEO and founder of Ad-Infinitum SpA, a Chilean based company with broad experience in providing specialised analysis of evaporation pond systems, processing plants and process design. He is a chemical engineer and former head of processing at SQM's Atacama project, the world's largest lithium production base. His main responsibility at CleanTech Lithium is to advise on the Company's DLE process work.

Pedro Mauricio Torres Cortes

Pedro is the founder and principal of Beyond Lithium, which provides engineering services for applying DLE technology for emerging lithium producers. He was formerly the Senior Operations Engineer with SQM in Chile. His main responsibility at CleanTech Lithium is to advise on the Company's DLE process work.

13. Lock-in Agreements

Each of the Directors, along with Senior Managers Jason Baverstock, Luke Jarvis and certain connected parties, who on Admission will be the holders of 25,298,040 Ordinary Shares in aggregate, representing approximately 32 per cent. of the Enlarged Share Capital, have entered into Lock-in Agreements. Under the terms of these Lock-in Agreements, the Directors, Jason Baverstock, Luke

Jarvis and certain connected parties have undertaken to the Company, Beaumont Cornish and Fox-Davies not to dispose of any interest in any Ordinary Shares owned by them or any connected person prior to the date which is 12 months from the date of Admission (the "**Restricted Period**") and, for a further period of 12 months following expiry of the Restricted Period, only to dispose of their Ordinary Shares through Fox-Davies during that period in such a way as to maintain an orderly market, except in certain limited circumstances considered customary for an agreement of this nature.

In addition, an institutional shareholder, who on Admission, will be the holder of 3,000,000 Ordinary Share, representing approximately 3.8 per cent. of the Enlarged Share Capital, have undertaken to the Company, Beaumont Cornish and Fox-Davies not to dispose of any interest exceeding 50 per cent. of any Ordinary Shares owned by them for a period of 12 months from Admission, except in certain limited circumstances considered customary for an agreement of this nature.

Further details of the Lock-in Agreements are set out in paragraph 14.5 of Part VI of this document.

14. Corporate Governance

Following Admission, the Board will comprise of four Directors, of which two are Executive Directors and two are Non-Executive Directors. The Board considers Steve Kesler and Jonathan Morley-Kirk to be independent Non-Executive Directors under the criteria identified in the QCA Code.

The Directors also recognise the importance of sound corporate governance and, following Admission, have taken account of the requirements of the QCA Code to the extent that they consider appropriate having regard to the Company's size, board structure, stage of development and resources.

The Directors note that with effect from 28 September 2018, all AIM companies must provide details on their website of the recognised code that the company has decided to apply, how it complies with that code and where it departs from this, an explanation of the reasons for doing so.

Full details of how the Company intends to comply with the QCA Code, from Admission, are set out in Part V of this document.

Audit and Risk Committee

The Audit and Risk Committee will comprise Steve Kesler and Jonathan Morley-Kirk, who will act as Chairman. The Audit and Risk Committee will, among other things, determine and examine matters relating to the financial affairs of the Company including the terms of engagement of the Company's auditors and, in consultation with the auditors, the scope of the audit. It will receive and review reports from management and the Company's auditors relating to the half yearly and annual accounts and the accounting and the internal control systems in use throughout the Company.

In addition the Audit and Risk Committee will be responsible for consideration of enterprise risk and overseeing the professional and other operational business risk issues affecting the Company and management of those risks (including ethics and independence) to ensure that they remain robust, appropriate and effective.

Remuneration Committee

The Remuneration Committee will comprise Jonathan Morley-Kirk and Steve Kesler, who will act as Chairman. The Remuneration Committee will review and make recommendations in respect of the Executive Directors' remuneration and benefits packages, including share options and the terms of their appointment. The Remuneration Committee will also make recommendations to the board concerning the allocation of share options to employees under the intended share option schemes.

15. Dividend Policy

Following Admission, when it is commercially prudent to do so and subject to the availability of distributable reserves, the Board may in future approve the payment of dividends. However, at present, the Directors consider that it is more prudent to retain cash to fund the development of the Company and, as a result, feel it is inappropriate to give an indication of the likely level or timing of any future dividend payment.

16. Share Dealing Policy

With effect from Admission, the Company will operate its Share Dealing Code, which is compliant with Article 19 of UK MAR and Rule 21 of the AIM Rules for Companies. The Share Dealing Code will apply to any person discharging managerial responsibility, including the Directors, senior management and any closely associated persons and applicable employees.

The Share Dealing Code imposes restrictions beyond those that are imposed by law (including by FSMA, UK MAR and other relevant legislation) and its purpose is to ensure that persons discharging managerial responsibility and persons connected with them do not abuse, and do not place themselves under suspicion of abusing price-sensitive information that they may have or be thought to have, especially in periods leading up to an announcement of both financial results and the results of the Company's work programmes. The Share Dealing Code sets out a notification procedure which is required to be followed prior to any dealing in the Company's securities.

17. Share Option Schemes

The Directors recognise the role of the Group's staff in contributing to its overall success and the importance of the Group's ability to incentivise and motivate its employees. Therefore, the Directors believe that certain employees should be given the opportunity to participate and take a financial interest in the success of the Company.

The Company has granted options over Ordinary Shares to certain Directors and senior management. Further details of these option grants are set out in paragraphs 7.2 and 12 of Part VI of this document.

Following Admission, the Company intends to adopt a long term incentive plan, under which options may be granted, as appropriate, to reward Directors and employees following Admission.

18. Taxation

The attention of investors is drawn to the information regarding taxation set out in paragraph 21 of Part VI of this document. This information is intended only as a general guide to the current tax position under UK and Jersey taxation law for certain types of investor. **Investors who are in any doubt as to their tax position or who are subject to tax in jurisdictions other than the UK are strongly advised to consult their professional advisers.**

19. The City Code

The Company is incorporated in Jersey and, on Admission, its Ordinary Shares will be admitted to trading on AIM. Accordingly, the City Code will apply to the Company while its shares are traded on AIM. Under the City Code, if an acquisition of an interest in Ordinary Shares were to increase the aggregate interests of the acquirer and its concert parties to 30 per cent. or more of the voting rights in the Company, the acquirer and, its concert parties would be required to make a cash offer for the outstanding Ordinary Shares at a price not less than the highest price paid for interests in Ordinary Shares by the acquirer or its concert parties during the previous 12 months. This requirement would also be triggered when, except with the consent of the Panel, any person (together with persons acting in concert with him) who is interested in Ordinary Shares which carry not less than 30 per cent. of the voting rights of the Company but does not hold Ordinary Shares carrying more than 50 per cent. of such voting rights, and such person (or person acting in concert with him) acquires any other Ordinary Shares which increases the percentage of Ordinary Shares carrying voting rights in which he is interested.

Further information on the provisions of the City Code can be found in paragraph 6 of Part VI of this document.

20. Risk Factors

Prospective investors should consider carefully the risk factors described in the section headed "Risk Factors" and set out in Part II of this document in addition to the other information set out in this document and their own circumstances, before deciding to invest in Ordinary Shares.

21. Admission, Settlement and Dealings

Application has been made to the London Stock Exchange for all of the Ordinary Shares, including those issued and to be issued pursuant to the Placing, to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the Ordinary Shares will commence on AIM on 17 March 2022.

No temporary documents of title will be issued. All documents sent by or to a Shareholder, or at their direction, will be sent through the post at the Shareholder's risk. Pending the despatch of definitive share certificates, instruments of transfer will be certified against the register of members of the Company.

The Company has applied for the Ordinary Shares to be admitted to CREST and it is expected that the Ordinary Shares will be so admitted and accordingly enabled for settlement in CREST on the date of Admission. Accordingly, settlement of transactions in Ordinary Shares following Admission may take place within the CREST system if any individual Shareholder so wishes provided such person is a "system member" (as defined in the CREST Regulations) in relation to CREST. Dealings in advance of crediting of the relevant CREST account(s) shall be at the sole risk of the persons concerned.

CREST is a paperless settlement system enabling securities to be evidenced otherwise than by certificate and transferred otherwise than by written instrument in accordance with the CREST Regulations. The Articles permit the holding of Ordinary Shares in uncertificated form in accordance with the CREST Regulations. CREST is a voluntary system and holders of Ordinary Shares who wish to receive and retain share certificates will be able to do so.

22. Further Information

You should read the whole of this document, which provides additional information on the Group and the Placing, and not just rely on the information contained in this Part I. In particular, your attention is drawn to the risk factors in Part II of this document and the additional information contained in Part VI of this document.

PART II

RISK FACTORS

Investing in and holding Ordinary Shares involves financial risk. Prospective investors in the Ordinary Shares should carefully review all of the information contained in this document and should pay particular attention to the following risks associated with an investment in the Ordinary Shares, the Group's business and the industry in which it participates prior to making an investment decision.

The risk factors set out below, which are not set out in any order of priority, apply to the Company as at the date of this document.

The risks and uncertainties described below are not an exhaustive list, are not set out in any order of priority and do not necessarily comprise all, or explain all, of the risks associated with the Company and the industry in which it participates or an investment in the Ordinary Shares. They comprise the material risks and uncertainties in this regard that are known to the Company and should be used as guidance only. Additional risks and uncertainties relating to the Company and/or the Ordinary Shares that are not currently known to the Company, or which the Company currently deems immaterial, may arise or become (individually or collectively) material in the future, and may have a material adverse effect on the Group's business, results of operations, financial condition and prospects. If any such risk or risks should occur, the price of the Ordinary Shares may decline and investors could lose part or all of their investment. There can be no certainty that the Company will be able to implement successfully its growth strategy as is detailed in this document. No representation is or can be made as to the future performance of the Company and there can be no assurance that the Company will achieve its objectives.

Prospective investors should consider carefully whether an investment in the Ordinary Shares is suitable for them in the light of the information in this document and their personal circumstances. Prospective investors should consult a legal adviser, an independent financial adviser or a tax adviser for legal, financial or tax advice if they do not understand any part of this document.

RISKS RELATING TO THE COMPANY'S BUSINESS

Exploration and development risks

The Company's projects are at an early stage with only the Laguna Verde Project containing a mineral resource.

Mineral exploration and development involves a high degree of risk. Few properties which are explored are ultimately developed into producing mines. It is impossible to ensure that any of the exploration programmes planned by the Company will result in a profitable commercial operation. Success in defining mineral resources and mineral reserves is the result of a number of factors, including the level of geological and technical expertise, the quantity and quality of lithium brine in the sub-surface and other factors. Once mineralization is discovered, it may take several years of drilling and development until production is possible during which time the economic feasibility of production may change. The economics of developing mineral properties are affected by many factors, including: the cost of operations and the performance of full-scale future commercial production operations, variations in the grade of mineralization, the presence of contaminants, fluctuations in the end price of lithium, the costs of reagents, fluctuations in exchange rates, costs of development, infrastructure and processing equipment and such other factors as government regulations, including regulations relating to royalties, land use, allowable production, importing and exporting of minerals and environmental protection. In addition, the grade of mineralization ultimately extracted may differ from that indicated by drilling results and such differences could be material.

The Company will continue to rely upon consultants and others for exploration and development expertise. Substantial expenditures will be required to establish resources and reserves through drilling, to develop mineral processes to extract the product from the resource and, in the case of new properties, to develop the extraction and processing facilities and infrastructure at any site chosen for

extraction. Although substantial benefits may be derived from the discovery of a major deposit, no assurance can be given that mineralisation will be discovered in sufficient quantities and/or quality to justify commercial operations or that funds required for development can be obtained on a timely basis. The economics of developing mineral properties is affected by many factors including the cost of operations, variations in the grade of the resource mined, fluctuations in mineral markets, importing and exporting of minerals and environment protection. As a result of these uncertainties, there can be no assurance that mineral exploration and development of the Company's properties will result in profitable commercial operations.

Unproven processing and extraction techniques

The Group plans to utilise DLE technology for processing lithium and its primary partner to progress its DLE test-work is local Chilean-Argentinian consultant Beyond Lithium. DLE has been utilised at the Humbro Muerto project owned by Livent Corporation which is the second largest brine based lithium production base, and has been in operation for over 30 years. The only other currently producing DLE operations are in China, where three producers are known to be in operation, two of which are currently expanding production. Publicly available information on the Chinese DLE producers is limited.

While Beyond Lithium's process uses an alumina based resin similar to that reportedly used at the Humbro Muerto operation, after the resin is used for lithium extraction, the concentration stage used by Beyond Lithium will be different to that used at Humbro Muerto, where small evaporation ponds are still used for concentration. Beyond Lithium will use reverse osmosis for further concentration and then ion exchange for a final stage of impurity removal. Beyond Lithium's process has not been proven at a pilot or commercial scale. Beyond Lithium has completed the DLE phase of work with Alpha Lithium which reported the DLE process developed in-house by the principals of Beyond Lithium yielded a lithium concentration of 9,474mg/L, starting from the raw brine. This is the only publicly released report on Beyond Lithium's DLE process performance.

CleanTech plans to continue trials with other companies including SunResin and Summit NanoTech, however this work is not expected to be advanced to the stage as the planned laboratory and pilot scale test-work with Beyond Lithium. SunResin's process can be considered proven in that it is being used by the current Chinese producers, however the publicly available information confirming the operational performance of these producers is limited.

The Company intends to use brine re-injection within the basins that it will be operating in, in order to maintain the aquifer levels in these basins. Brine re-injection is used in some oil and gas extraction and mining operations, however it has not been applied in a lithium extraction operation.

The Company's main focus is on Chile

Both of the Company's current Projects are located in Chile and accordingly the success of the Group is entirely dependent on the successful development of those projects. Unless the Company acquires additional assets in other countries, the returns for Shareholders may be adversely affected if there are any unfavourable developments in Chile affecting the Company's projects and the Group's rights to develop them. It should be noted that Chile is currently undertaking a process to draft a new constitution which is expected to be finalised in July 2022. Further information on how this may potentially affect the Group is provided below under the risk factor entitled "Chile's constitutional convention."

Accordingly, investors should be aware that investing in the Company could involve an element of concentration risk and that the Group's future performance and ability to achieve positive returns for Shareholders will be dependent on the subsequent performance of the projects.

Litigation

Laguna Negro Francisco SpA ("**Laguna Negro**"), one of the Group's Chilean subsidiaries, is currently under an investigation by Chilean authorities for allegedly drilling in 2018 a single well at its Francisco Basin Project (the "**Drilling**") within the boundaries of the Nevado Tres Cruces National Park without a suitable environmental licence, thereby acting in breach of applicable Chilean environmental law. The Group has subsequently received evidence from the National Forestry Corporation (a Chilean governmental agency) that the Drilling occurred outside of the national park and therefore in compliance with the corresponding environmental regulations. Despite this, the investigation against Laguna Negro remains ongoing and has not been resolved, and a final decision regarding the Drilling

is awaited. Consequently, Laguna Negro may be issued a fine or be subjected to a further environmental assessment or there is even a possibility of a sanctioning process, the outcome of which cannot be predicted.

Should exploration activities at the Laguna Verde Project require either an EIA or DIA, current drilling activities could be suspended until environmental approval is obtained.

Alternatively, should a sanctioning process be initiated, depending on the assessment of the breaches, fines which could have a material effect on the Group's financial position, might be imposed.

The Board takes all environmental issues seriously and hopes to resolve this location misunderstanding amicably and professionally with the Chilean authorities. It should also be noted that the Group has all necessary permits for the current drilling campaign at Francisco Basin Project which began in early February 2022. Furthermore, as detailed in the work programme, the Company's permitting plan for mining activities assumes an EIA will be required and baseline studies for an EIA submission will begin in the first quarter of 2022. Other than the above, there are currently no outstanding litigation or disputes, however since there have been a number of cases where the rights and privileges of natural resource companies have been the subject of litigation, both with and without merit, there can be no assurance that the current or future actions of the Group will not result in litigation. The Directors cannot guarantee that any such litigation may not be brought against the Company and/or any of its subsidiaries in the future. Due to the inherent uncertainty of the litigation process, there can be no assurance that the resolution of any particular legal proceedings will not have a material adverse effect on the Group's financial position, results or operations.

Laguna Verde Option Agreement

With respect to the central licence area at the Laguna Verde Project, which covers the area of the surface lake and its margins that includes the current measured and inferred resource estimates, the Company's rights to those exploitation licences that constitute the Concessions are held through the Laguna Verde Option Agreement with various counterparties. The term of the LV Option expires on 20 April 2026. Under the LV Option, further details of which are set out at paragraph 14.6 of Part VI of this document, the Company is required to pay certain amounts to the property owners and there can be no guarantee that it will have sufficient funds, or that it will be able to source additional funds, to do so.

In particular, the Laguna Verde Option Agreement requires payments of 50 per cent. of the cash element of the Variable Price (as that term is defined in the Laguna Verde Option Agreement) once the Company's lithium processing plant is commercially operative, with the remaining 50 per cent. due 1 year after such date. The Directors estimate that the lithium processing plant should be completed within 60 months of the execution of the Laguna Verde Option Agreement. There can be no guarantee that the Company will have sufficient funds, or that it will be able to source any additional funds, to pay the Variable Price within that time period.

Conversion of exploration licences into exploitation licences

In Chile exploration licences have a life of two years. At the end of this period, they may be renewed as an exploration concession for two further years in which case at least 50 per cent. of the surface area must be reduced, or they may be converted, totally or partially, into exploitation licences. A titleholder with the earliest dated exploration concession has a preferential right to an exploitation concession in the area covered by the exploration concession. Furthermore, where a titleholder of an exploration concession has applied to convert the exploration concession into an exploitation concession, the application for the exploitation concession and the exploitation concession itself is back dated to the date of the exploration concession.

The Company's intention is to convert all exploration licences into exploitation licenses when they reach their exploration licence expiry date. Given a few of the exploration licences held by Laguna Negro have recently expired and other are due to expire in the next few months, applications have/will be made for the conversion of the expired exploration licences into exploitation licences. Whilst, based on the current regulations, the Company is confident that the conversions will be successful and ultimately all exploration licences will be converted into exploitation licences, there is a small risk either that an application for conversion may be unsuccessful or that a third party holding exploration licences with preferential rights overlapping any part of the Group's exploration concessions may instead apply for

an exploitation licence. Accordingly the Company may either have to make a renewal application for a two-year exploration licence and relinquish at least 50 per cent. of the area or lose all or part of an exploration licence thereby reducing a project area.

Commodity prices

The development and success of any project of the Company will be primarily dependent on the future price of lithium and other minerals. Commodity prices are subject to significant fluctuation and are affected by a number of factors which are beyond the control of the Company. Such factors include, but are not limited to, interest rates, exchange rates, inflation or deflation fluctuations in the value of the United States dollar and foreign currencies, global and regional supply and demand, and political and economic conditions. An increased interest in lithium exploration activities has the potential to lead to an increase in the overall supply of lithium into the global market in the medium to longer-term, which could lead to decline in lithium prices. The price of lithium and other commodities have fluctuated widely in recent years, and future prices declines could cause any future development of and commercial production from the Company's projects to be uneconomic. Depending on the price of lithium and other commodities, projected cash flow from any future mining operations may not be sufficient and the Company could be forced to discontinue its projects and may lose its interest in, or may be forced to sell, some of its properties. Future production from any of the Company's projects is dependent on lithium prices that are adequate to make such projects economically feasible.

Furthermore, the lithium price environment may have an impact on the Company's ability to raise future funds for exploration, development or expanding its mining activities given the impact the lithium price will have on investor appetite for the sector. A depressed lithium price for a prolonged period could impact on the availability, cost and form of funds for the Company's future development.

Estimates of mineral reserves and mineral resources

Estimates of mineral reserves and mineral resources for exploration and development projects are, to a large extent, based on the interpretation of geological data obtained from drill holes and other sampling techniques and feasibility studies which derive estimates of costs based upon anticipated tonnage and mineralization grades to be mined, extracted and processed, the configuration of the areas of mineralization, expected recovery rates, estimated operating costs, anticipated climatic conditions and other factors.

Mineral resource estimates are estimates only and no assurance can be given that any particular grade, brine composition, or brine flow rates will in fact be realised or that an identified reserve or resource will ever qualify as a commercially extractable (or viable) deposit which can be legally and economically exploited. As a result of these uncertainties, there can be no assurance that any potential mineral resources defined by the Company's exploration programmes will result in profitable commercial mining operations.

Water rights and water supply

The development of the Projects into commercial lithium producing operations will require continuing physical availability and secure legal rights to significant quantities of processing water for mining activities and related support facilities and in the ability to process and return water into the groundwater system via brine re-injection. At present, the volumes of water that will be required for the operations of the Company's Projects are not well known. Water rights are subject to regulation in Chile and managing of water rights expertise and accordingly the relevant local subsidiary companies will need to purchase the necessary rights to use water from a third party or file an application to obtain the water use rights, subject to the resource's availability in the area. Restrictions on the Company's ability to access the necessary water rights, water supplies or water infrastructure may adversely affect, restrict or curtail future operations at the Company's Project sites. Inadequate supplies of water, or disruption in supplies of water, could result in reduced levels of operations, which could have a negative effect on the Project's future financial performance.

Adverse weather event risks

Laguna Verde and Francisco Basin are located at high elevations of 4,300m and 4,100m respectively which experience annual winter snow storms and potentially summer flood events. If snowfalls are heavy it may impact transport access to site particularly at Francisco Basin where a segment of roads

accessing the site are not sealed. Flooding may also cause disruption to future mining operations at the Project sites.

Environmental regulation

Environmental and safety legislation (e.g. in relation to reclamation, disposal of waste products, protection of wildlife and otherwise relating to environmental protection) may change in a manner that may require stricter or additional standards than those now in effect, a heightened degree of responsibility for companies and their directors and/or employees and more stringent enforcement of existing laws and regulations. There may also be unforeseen environmental liabilities resulting from past or future exploration or mining activities, which may be costly to remedy. If the Company is unable to fully remedy an environmental problem, it may be required to stop or suspend operations or enter into interim compliance measures pending completion of the required remedy. The potential exposure may be significant and could have a material adverse effect on the Company.

Environmental approvals and permits

Environmental approvals and permits are currently, and may also in future be, required in connection with the Company's operations. In order to obtain such permits and approvals the Company may be required to submit an EIA or a DIA. If these are required at the exploration stage, they will require time and cost to produce and could impact the Company's work programme and the speed at which it develops its projects. Failure to comply with applicable approvals and permits may result in enforcement actions, including orders issued by regulatory or judicial authorities against the Company, causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions.

The Company plans to submit an EIA for one or both of its projects in 2022, with baseline studies to commence in early 2022. These submissions will be in support of planned mining activities that, based on the Company's intended project timeline, would commence in 2024. There is no guarantee that the EIA will be approved, or that it will be approved in time with the Company's project timeline.

CEOL

As described in paragraph 7 of Part I of this document, to produce and sell lithium in Chile requires a CEOL. The Company submitted application for a CEOL at both the Laguna Verde and Francisco Basin Projects in January 2022. A CEOL is not required for any of the Company's planned exploration and development work, however it will be required at the production stage.

Prior to the applications submitted in January 2022, previous applications were submitted in April 2021, which were subsequently cancelled by the Ministry of Mines in November 2021. The previous applications were subject to cancellation if a separate public bidding process for CEOLs proceeded during the application period. This cancellation of the previous applications occurred in October 2021, when the Ministry of Mines launched a public bidding process for CEOLs in which interested bidders could apply to be awarded CEOL quotas of 80,000 tonnes of lithium (equivalent to approximately 435,000 tonnes of LCE).

The Company does not expect a further round of a public bidding process for CEOLs to impact on the Company's current applications. The two previous public bidding rounds launched in July 2012 and October 2021 received significant criticism and resulted in only two CEOLs being granted.

However, if a further public bidding process is put into effect, the Company's current CEOL applications could be subject to cancellation. In addition, there is no guarantee that the Company's CEOL applications will be granted as required for the production of lithium in Chile.

Infrastructure

The Company's lithium projects depend to a significant degree on adequate infrastructure. In the course of developing its operations the Company may need to construct and support the construction of infrastructure, which includes permanent water supplies, power, transport and logistics services which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure or any failure or unavailability in such infrastructure could materially adversely affect the Company's operations, financial condition and results of operations.

Reliance on third parties

The Company will be reliant on third party service providers and suppliers to provide equipment, infrastructure and raw materials required for the Company's business and operations and there can be no assurance that such parties will be able to provide such services in the time scale and at the cost anticipated by the Company.

Reliance on key personnel and management

The Company's business and future management is substantially dependent on the expertise and continued services of its directors, employees and consultants. The loss of the services of any such person could have a material adverse effect on the Company's business. The Company cannot guarantee the retention of its directors, employees and consultants nor that it will be able to continue to attract and retain such employees, and failure to do so could have a material adverse effect on the financial condition. results or operations of the Company.

Need for additional capital

The Projects are not expected to produce cashflow in the near term and their ultimate success will depend in part upon the Company's ability to develop these Projects to commercialisation. That development will require capital and whilst the Board are confident they have sufficient capital for at least the next 18 months, after that period the Company may need to raise further capital to fund the development of these Projects. The Company is currently loss making and has negative cash flow; there is no assurance that the Company will be able to raise capital or generate cash flow in the future or that it will be successful in achieving a return on Shareholders' investment. If the Projects are not successful, there can be no assurance that the Company will be able to identify alternative investments, business or projects. If additional funds are raised through the issuance of new equity or equity-linked securities of the Company other than on a *pro rata* basis to existing Shareholders, the percentage ownership of the existing Shareholders may be reduced. Shareholders may also experience subsequent dilution and/or such securities may have preferred rights, options and pre-emption rights senior to the Ordinary Shares. The Company may also issue shares as consideration shares on acquisitions or investments which would also dilute Shareholders' respective shareholdings.

Ability to exploit projects

The Company intends to invest in the development of lithium deposits which is speculative and involves a significant degree of risk. It is possible that the Company may not be able to commercially exploit any projects it holds an interest in. In addition, the mineral deposits of any projects held or acquired by the Company may not contain economically recoverable lithium grades, and even if there are economically recoverable resources, technical difficulties may make the resources difficult to exploit.

Exchange rate risks

The Company's functional and presentational currency is Pound Sterling, whilst the payments relating to the licences in Chile and the expenditure, as per work programme, on advancing the Projects will be in local currency Chilean Peso or US Dollars. Accordingly, the fluctuations in exchange rates between Pound Sterling and other currencies could lead to significant changes in the Company's reported financial results from period to period.

Although the Company may seek to manage its foreign exchange exposure, including by active use of hedging and derivative instruments, there is no assurance that such arrangements will be entered into or available at all times when the Company wishes to use them or that they will be sufficient to cover the risk.

Impact of COVID-19

Since the start of January 2020, the outbreak of COVID-19, which is a rapidly evolving situation, has adversely impacted global commercial activities and economy. The Group's way of operating has adapted and is likely to need to continue to adapt over the coming months in response to the developments relating to the COVID-19 pandemic due to various travel restrictions being put in place and because of the additional, more expensive insurance now required in Chile for all employees working on a worksite (whether full or part-time). As a result of a recent spike in COVID-19 infections globally, certain restrictions have been put in place and it is currently unknown how long these will

continue for and whether these will have any significant impact on the exploration activities detailed in the work programme. If the travel and workplace restrictions continue, there is a possibility of exploration activities being delayed. The rapid development and fluidity of this situation precludes any prediction as its ultimate impact, which may have a continued adverse impact on economic and market conditions and trigger a period of global economic slowdown. If the COVID-19 pandemic continues for a prolonged period of time, the Company's operations may be affected which in turn may have a material adverse effect on the Company's business, prospects, results of operations and financial condition.

RISKS RELATING TO THE MARKETS IN WHICH THE COMPANY OPERATES

Government regulation and political risk

While Chile is considered to be one of South America's most politically stable and prosperous nations, it may nonetheless be subject to social and economic uncertainty. Civil and political unrest and outbreaks of hostilities in Chile could affect the Company's access to its projects and subsequent exploration and development. Adverse changes in government policies or legislation in Chile affecting foreign ownership of mineral interests, taxation, profit repatriation, royalties, land access, labour relations, and mining and exploration activities, may affect the operations of the Company.

Furthermore, without prejudice to the eventual replacement of the Chilean Constitution, there is a law proposal that might establish compensation in favour of the State for the exploitation of copper and lithium mining, equivalent to 3 per cent. of the nominal value of the minerals extracted. Such compensation should be destined for development works in the districts where the deposits are located.

If the proposal is passed, the compensation, in the case of lithium, should be paid annually from the commencement of the extraction until its complete exploitation. It should be noted though that under current proposal, such compensation would not apply to miners that extract 50,000 tonnes of lithium or less per year.

Chile's constitutional convention

During 2019 a series of mass protests were held in Chile which crossed political divides and focused on income inequality and high costs of living. Chile's current constitution, which was adopted in 1980 during the rule of President Pinochet (who served as President of Chile from 1974-1990), has increasingly been viewed as requiring fundamental reform and this became a focal point of the mass protest movement. As a result, in October 2020 a plebiscite was held regarding whether to initiate a process to draft a new constitution, and this was approved by a large majority. The drafting of the new constitution is expected to be finalised in July 2022, and the ratification which requires a further plebiscite, is expected in October 2022.

The new constitution is to be determined by a constitutional convention made up of 155 elected members. All articles proposed to the constitutional convention require the approval of two-thirds of members for the article to be adopted in the new constitution. Articles adopted by the new constitution are also required to adhere to all international treaties Chile is currently bound to, including those related to international investments and private property.

There are 10 thematic commissions which will propose articles to the constitutional convention after discussing and voting on draft articles internally. The environmental commission has approved an article regarding the nationalisation of Chile's copper, precious metals and lithium industries. This article will, unless it is withdrawn, be among the several hundred articles to be proposed to the constitutional convention.

As there are no political parties or factions that reach one third of constituents within the constitutional convention, it is expected the articles that are adopted by the new constitution will require a high level of consensus and result in politically moderate outcomes, as is Chile's tradition. Both the requirement for Chile to adhere to existing international treaties and the requirement to reach two thirds approval, make radical proposals highly unlikely to be adopted. Whilst the Directors believe it is unlikely, if the proposal to nationalise Chile's copper, precious metals and lithium industries were to be adopted, it could result in the Company having its projects nationalised.

Competition

The mineral resource exploration sector is very competitive and some of the Company's competitors no doubt have access to greater financial and technical resources which may give them a competitive advantage. As a result, the Company may not be able to compete effectively with competitors or gain access to future growth opportunities.

Operating risks and hazards

The activities of the Company are subject to significant hazards and risks inherent to exploring and developing natural resource projects. These include, but are not limited to: industrial accidents, environmental hazards, industrial and labour disputes, improper installation or operation of equipment, equipment break-downs and other mechanical or system failures, encountering unusual or unexpected geological formations, unanticipated changes in brine chemistry and mineral recovery, encountering unanticipated ground or water conditions, flooding, explosions, fires, seismic activity, periodic interruptions due to inclement or hazardous weather conditions and other acts of God or unfavourable operating conditions and losses.

There is also a risk that COVID-19 or other infections could materially affect the workforce or the operations of the projects.

Should any of these operating risks and hazards affect the Group's exploration, development or mining activities at the any of the projects, it may cause the cost of operations to increase to a point where it would no longer be economically feasible to continue the operations requiring the Company to write-down the carrying value of one or more of its projects, cause delays or a stoppage of exploration or eventual mining and processing, result in the destruction of mineral properties or processing facilities, cause death or personal injury and related legal liability; any and all of which may have a material adverse effect on the Company.

GENERAL RISKS RELATING TO AN INVESTMENT IN THE ORDINARY SHARES

Investment risks

An investment in the Ordinary Shares is only suitable for financially sophisticated investors who are capable of evaluating the merits and risks of such an investment, or other investors who have been professionally advised with regard to the investment, and who have sufficient resources to be able to bear any losses that may arise therefrom (which may be the whole amount invested). Such an investment should be seen as complementary to existing investments in a wide spread of other financial assets and should not form a major part of an investment portfolio. Investors should not consider investing in the Ordinary Shares unless they already have a diversified investment portfolio.

Prospective investors should be aware that the value of an investment in the Company may go down as well as up and investors may therefore not recover or may lose all of their original investment. In addition, the price at which investors may dispose of their Ordinary Shares may be influenced by a number of factors, some of which may pertain to the Company, and others of which are extraneous. These factors could include the performance of the Company's business, large purchases or sales of Ordinary Shares, liquidity (or absence of liquidity) in the Ordinary Shares, currency fluctuations, legislative or regulatory or taxation changes, general economic and political conditions and interest and inflation rate variations. The value of the Ordinary Shares may therefore fluctuate and not reflect their underlying asset value.

The market price of the Ordinary Shares may fluctuate significantly in response to a number of factors, some of which may be out of the Company's control.

Publicly traded securities from time to time experience significant price and volume fluctuations that may be unrelated to the operating performance of the companies that have issued them. In addition, the market price of the Ordinary Shares may prove to be highly volatile. The market price of the Ordinary Shares may fluctuate significantly in response to a number of factors, some of which are beyond the Company's control, including: general business, political, social and economic conditions; variations in operating results in the Company's reporting periods; changes in financial estimates by securities analysts; poor stock market conditions affecting companies engaged in the same sector; additions or departures of key personnel; announcements by the Company or its competitors; acquisitions or joint ventures entered into by any of the Company's companies; any shortfall in turnover

or net profit or any increase in losses from levels expected by securities analysts; and future issues or sales of Ordinary Shares. Any or all of these events could result in a material decline in the price of the Ordinary Shares, regardless of the Company's performance.

Suitability of the Ordinary Shares as an investment

The Ordinary Shares may not be a suitable investment for all the recipients of this document. Before making a final decision, Shareholders and other prospective investors are advised to consult an appropriate independent financial adviser authorised under FSMA if such Shareholder or other prospective investor is resident in the UK or, if not, from another appropriately authorised independent financial adviser who specialises in advising on acquisitions of shares and other securities.

The value of the Ordinary Shares, and the income received from them, can go down as well as up and Shareholders may receive less than their original investment. In the event of a winding-up of the Company, the Ordinary Shares will rank behind any liabilities of the Company and therefore any return for Shareholders will depend on the Company's assets being sufficient to meet the prior entitlements of creditors.

Future sales of Ordinary Shares

Shareholders may sell their Ordinary Shares in the public or private market and the Company may undertake a public or private offering of Ordinary Shares. The Company cannot predict what effect, if any, future sales of Ordinary Shares will have on the market price of the Ordinary Shares. If the Company's existing shareholders were to sell, or if the Company was to issue a substantial number of shares in the market, the market price of the Ordinary Shares could be materially adversely affected. Sales by the Company's existing Shareholders could also make it more difficult for the Company to sell equity securities in the future at a time and price that it deems appropriate.

Further issuances of Ordinary Shares may be dilutive

The Company may decide to offer additional shares in the future for capital raising or other purposes. As the Jersey Companies Law does not grant Shareholders the benefit of pre-emption rights in relation to a further issue of Ordinary Shares, pre-emption rights have been included in the Company's Articles. If the rights mentioned above are disapplied, or if Shareholders do not take up their rights to subscribe for further Ordinary Shares under a pre-emption offer, existing Shareholders' proportionate ownership interest in the Company will be diluted. In addition, a further issue of Ordinary Shares by the Company, or the public perception that an issue may occur, could have an adverse effect on the market price of Ordinary Shares and could dilute the proportionate ownership interest and the proportionate voting interest of those Shareholders that do not participate in that additional issue.

In addition, the securities laws of certain jurisdictions may restrict the Company's ability to allow the participation of Shareholders in future offerings. In particular, Shareholders in the United States may not be entitled to exercise those rights unless either the rights and the Ordinary Shares are registered under the US Securities Act, or the rights and the Ordinary Shares are offered pursuant to an exemption from, or in transactions not subject to, the registration requirements of the US Securities Act. Any Shareholder who is unable to participate in future equity offerings may suffer dilution.

Valuation of Ordinary Shares

Before Admission, there has been no prior public market for the Ordinary Shares. The Placing Price has been determined by the Company and may not relate to the Company's net asset value, net worth, or any established criteria or value. Although application has been made for the Ordinary Shares to be admitted to trading on AIM, an active public market may not develop or be sustained following Admission. There can be no guarantee that the Ordinary Shares will be able to achieve higher valuations or, if they do so, that such higher valuations can be maintained. If an active trading market is not developed or maintained, the liquidity and trading price of the Ordinary Shares could be materially and adversely affected.

Conditionality of the Placing

The Placing is conditional, *inter alia*, upon the Placing Shares having being allotted, Admission becoming effective and the Placing Agreement becoming unconditional in all respects. In the event that

certain conditions to which Admission is subject are not satisfied or, if capable of waiver, waived, then Admission will not occur.

Market perception

Market perception of the Company and/or the Company may change, potentially affecting the value of investor's holdings and the ability of the Company to raise further funds by the issue of further Ordinary Shares or otherwise.

The Ordinary Shares will not be admitted to the Official List

The Ordinary Shares will be traded on AIM and will not be admitted to the Official List or admitted to trading on the London Stock Exchange's Main Market for listed securities. Neither the FCA nor the London Stock Exchange have examined or approved the contents of this document. The AIM market is designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. The rules of AIM are less demanding than those of the Official List and an investment in Ordinary Shares traded on AIM may carry a higher risk than an investment in shares admitted to the Official List. Although the Company is applying for the admission of its Enlarged Share Capital to trading on AIM, there can be no assurance that an active trading market for the Ordinary Shares will develop, or if developed, that it will be maintained. In addition, the market in Ordinary Shares on AIM may have limited liquidity, making it more difficult for an investor to realise its investment than might be the case in respect of an investment in shares which are quoted on the London Stock Exchange's Main Market for listed securities. Investors should therefore be aware that the market price of the Ordinary Shares may be more volatile than the market prices of shares quoted on the London Stock Exchange's Main Market for listed securities and may not reflect the underlying value of the net assets of the Company. For these and other reasons, investors may not be able to sell at a price which permits them to recover their original investment.

PART III

FINANCIAL INFORMATION

SECTION A: ACCOUNTANT'S REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF THE COMPANY



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Jersey

The Directors
Beaumont Cornish Limited
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566 Chiswick High Road
London W4 5YA

11 March 2022

Dear Sirs and Madams,

Introduction

We report on the audited historical financial information of CleanTech Lithium PLC (the "Company") for the period from incorporation on 1 December 2021 to 31 December 2021 (the "Company Financial Information"), set out in Section B "*Historical Financial Information of the Company*" of Part III "*Financial Information*" of the Company's AIM admission document dated 11 March 2022 (the "Admission Document").

Opinion on financial information

In our opinion, the Company Financial Information gives, for the purposes of the Admission Document, a true and fair view of the state of affairs of the Company as at 31 December 2021 and of its profits, cash flows, statement of comprehensive income and changes in equity for the period then ended, in accordance with UK-adopted international accounting standards ("IFRS").

Responsibilities

The directors of the Company (the "Directors") are responsible for preparing the Company Financial Information in accordance with IFRS.

It is our responsibility to form an opinion on the Company Financial Information and to report our opinion to you.

Basis of preparation

The Company Financial Information has been prepared for inclusion in the Admission Document on the basis of the accounting policies set out in note 3 to the Company Financial Information. This report is

required by part (a) of Schedule Two to the AIM Rules for Companies and is given for the purposes of complying with the AIM Rules for Companies and for no other purpose.

Basis of opinion

We conducted our work in accordance with Standards of Investment Reporting issued by the Financial Reporting Council in the United Kingdom. We are independent of the Company in accordance with relevant ethical requirements. In the United Kingdom, this is the Financial Reporting Council's Ethical Standard as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our work included an assessment of evidence relevant to the amounts and disclosures in the Company Financial Information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the Company Financial Information and whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Company Financial Information is free from material misstatement, whether caused by fraud or other irregularity or error.

Conclusions relating to going concern

We have not identified a material uncertainty related to events or conditions that, individually or collectively, may cast doubt on the ability of the Company to continue as a going concern for a period of at least 12 months from the date of this report. We therefore conclude that the Directors' use of the going concern basis of accounting in the preparation of the Company Financial Information is appropriate.

Declaration

For the purposes of Paragraph (a) of Schedule Two of the AIM Rules for Companies, we are responsible for this report as part of the Admission Document and we declare, to the best of our knowledge, the information contained in this report is in accordance with the facts and that this report makes no omission likely to affect its import. This declaration is included in the Admission Document in compliance with Schedule Two of the AIM Rules for Companies.

Yours faithfully,

Crowe U.K. LLP
Chartered Accountants

SECTION B: HISTORICAL FINANCIAL INFORMATION OF THE COMPANY

Statement of Comprehensive Income

The audited Statement of Comprehensive Income of the Company for the period from incorporation on 1 December 2021 to 31 December 2021 is set out below:

	Note	Audited Period ended 31 December 2021 £
Administrative expenses	5	–
Operating profit		–
Finance income/(expense)		–
Profit before taxation		–
Income tax		–
Total comprehensive profit for the period		–
Based and diluted loss per Ordinary Share (£)	6	£0.00

Statement of Financial Position

The audited Statement of Financial Position of the Company as at 31 December 2021 is presented below:

	Note	Audited As at 31 December 2021 £
ASSETS		
Current assets		
Other receivables	7	0.02
TOTAL ASSETS		0.02
EQUITY AND LIABILITIES		
Equity attributable to owners		
Share capital	8	0.02
Retained earnings		–
Total equity attributable to Shareholders		0.02
TOTAL EQUITY AND LIABILITIES		0.02

Statement of Changes in Equity

The audited Statement of Changes in Equity of the Company for the period from incorporation on 1 December 2021 to 31 December 2021 is set out below:

	Share capital £	Retained earnings £	Total equity £
Ordinary Shares issued on incorporation	0.02	–	0.02
Total comprehensive profit for the period	–	–	–
As at 31 December 2021	0.02	–	0.02

Statement of Cash Flows

The audited Statement of Cash Flows of the Company for the period from incorporation on 1 December 2021 to 31 December 2021 is set out below:

	Audited Period ended 31 December 2021 £
Cash flows from operating activities	
Profit before income tax	–
Net cash generated from operating activities	–
Cash flows from financing activities	
Cash from the issue of Ordinary Shares	–
Net cash flow from financing activities	–
Net increase in cash and cash equivalents	–
Cash and cash equivalents at beginning of the period	–
Cash and cash equivalents at end of the period	–

The only transaction during the year was the issue of 2 ordinary shares at par, for which settlement was due at the year end.

Notes to the Company Financial Information

1. General information

The Company was incorporated on 1 December 2021 in Jersey as a company limited by shares and with Registered Number 139640 under the Companies (Jersey) Law 1991. The Company's registered office address is 3rd Floor, 44 Esplanade, St Helier, JE4 9WG, Jersey. The Company has not yet commenced business.

The Company's objective is to act as the holding company of the Group.

The Company does not have a defined life.

Other than the Directors, the Company did not have any staff.

The Directors who served during the period were Gordon Stein and Jonathan Morley-Kirk.

2. Basis of preparation

The principal accounting policies adopted by the Company in the preparation of the Company Financial Information are set out below.

The Company Financial Information has been presented in £, being the functional currency of the Company.

The Company Financial Information has been prepared in accordance with UK-adopted international accounting standards ("**IFRS**"). The standards have been applied consistently.

The historical cost basis of preparation has been used.

Standards and interpretations issued but not yet applied

A number of new standards and amendments to standards and interpretations have been issued but are not yet effective and, in some cases, have not yet been adopted by the UK. The Directors do not expect that the adoption of these standards will have a material impact on the Company Financial Information.

Going concern

The Company Financial Information has been prepared on a going concern basis. CleanTech Lithium Ltd has undertaken to provide continuing financial support to the Company up until the Placing and Admission in order for it to meet its liabilities when they fall due.

3. Accounting policies

Financial assets

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of a financial instrument. Financial assets and financial liabilities are offset if there is a legally enforceable right to set off the recognised amounts and interests and it is intended to settle on a net basis. The Company sole asset comprises amounts due from shareholders for unpaid share capital, amounting to £0.02.

Earnings per Ordinary Share

The Company presents basic and diluted earnings per share data for its Ordinary Shares. Basic earnings per Ordinary Share is calculated by dividing the profit or loss attributable to Shareholders by the weighted average number of Ordinary Shares outstanding during the period. At the reporting date, the Company has no dilutive potential Ordinary Shares in issue and so the diluted earnings per Ordinary Share is the same as the basic earnings per Ordinary Share.

4. Use of assumptions and estimates

In preparing the Company Financial Information, the Directors have to make judgments on how to apply the Company's accounting policies and make estimates about the future. The Directors do not consider

there to be any critical judgments that have been made in arriving at the amounts recognised in the Company Financial Information.

5. Directors' emoluments

No amount was paid or has become payable to any of the Directors. There were no staff costs as no staff were employed by the Company during the period ended 31 December 2021.

6. Earnings per Ordinary Share

There were no potentially dilutive instruments in issue at the period end.

	Earnings £	Weighted average number of Ordinary Shares	Earnings per Ordinary Share
Basic earnings per Ordinary Share			
Earnings attributable to Shareholders	–	2	–
Diluted earnings per Ordinary Share			
Effect of dilutive securities	–	2	–

7. Other receivables

The Company has authorised share capital of £1,000,000, comprising 100,000,000 Ordinary Shares of £0.01 each.

	Audited As at 31 December 2021 £
Unpaid share capital	0.02
Other receivables	0.02

On incorporation of the Company on 1 December 2021, 2 Ordinary Shares of £0.01 each were issued at par. As at 31 December 2021, these Ordinary Shares remained unpaid.

8. Share capital

	Audited As at 31 December 2021 £
2 issued Ordinary Shares (£0.01 nominal value)	0.02
	0.02

On incorporation on 1 December 2021, the Company issued 2 Ordinary Shares of £0.01 nominal value. No further issues of Ordinary Shares were made during the period.

9. Financial risk management

The Company uses a limited number of financial instruments which arise directly from operations. The Company does not trade in financial instruments.

Financial risk factors

As the Company has yet to start trading, its only exposure to risk relates to credit risk and liquidity risk.

Credit risk

The Company's credit risk relates to the risk that its counterparties will not be able to settle the amounts owing to the Company as at 31 December 2021, being £0.02. As the amount owing is of an immaterial amount and the counterparties are the Directors and Shareholders, this risk is deemed minimal by the Directors.

Liquidity risk

The Company's liquidity risk relates to its inability to settle liabilities as they fall due. Prudent liquidity risk management implies maintaining access to sufficient funds to meet future cash demands. The Directors have arranged such funding to be provided by CleanTech Lithium Ltd, the Company's future wholly-owned subsidiary, and through to the completion of the Placing and Admission. The Directors have assessed the ability of CleanTech Lithium Ltd to provide such funding and have concluded that the associated liquidity risk is minimal. Post-Admission, the Directors are of the opinion that the Placing will provide the Group with sufficient working capital for a period of at least twelve months from the date of Admission.

Fair values

The Directors have assessed that the fair values of other receivables approximate their carrying amounts, largely due to the short-term maturities of these instruments.

10. Capital management policy

The Directors' objectives when managing the Company's capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for Shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The capital structure of the Company consists of equity attributable to Shareholders, comprising issued share capital.

11. Financial instruments

The Company's only financial instrument comprises other receivables. The Company's accounting policy and method adopted, including the criteria for recognition, the basis on which income and expenses are recognised in respect of this financial asset, is set out in Note 3 "*Accounting policies*" to the Company Financial Information. The Company does not use financial instruments for speculative purposes.

There are no financial assets that are either past due or impaired.

12. Events after the balance sheet date

Post year end, the Company opened its bank account and received the full cash settlement of the £0.02 unpaid share capital.

On 14 February 2022, the Company acquired the entire issued share capital of the CleanTech Lithium Ltd pursuant to the Share Exchange Agreement (and associated drag along process).

13. Ultimate controlling party

As at 31 December 2021, there was no ultimate controlling party of the Company.

14. Nature of the Company Financial Information

The Company Financial Information presented above does not constitute statutory accounts for the period under review.

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Jersey

The Directors
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London W4 5YA

11 March 2022

Dear Sirs and Madams,

Introduction

We report on the audited consolidated historical financial information of CleanTech Lithium Limited and its wholly owned subsidiaries:

- Chilean Lithium Salars Holdings PTY Ltd, and its subsidiary;
  - Chilean Lithium Salars PTY Ltd, and its subsidiaries;
    - CLS Chile SpA;
    - Laguna Negro Francisco SpA;
    - Laguna Escondida SpA;
    - Laguna Brava SPA;
    - Atacama Tierras Blancas SpA; and
    - Atacama Salt Lakes SpA (together, the "Underlying Group")

for the three years ended 31 December 2020, 31 December 2019 and 31 December 2018 (together, the "Underlying Group Financial Information"), set out in Section D "*Historical Financial Information of the Underlying Group*" of Part III "*Financial Information*" of CleanTech Lithium PLC's (the "Company") AIM admission document dated 11 March 2022 (the "*Admission Document*").

Opinion on financial information

In our opinion, the Underlying Group Financial Information gives, for the purposes of the Admission Document, a true and fair view of the state of affairs of the Underlying Group as at 31 December 2020, 31 December 2019 and 31 December 2018 and of its profits, cash flows, statement of comprehensive income and changes in equity for each of the years then ended, in accordance with UK-adopted international accounting standards ("**IFRS**").

Responsibilities

The directors of the Company (the "Directors") are responsible for preparing the Underlying Group Financial Information in accordance with IFRS.

It is our responsibility to form an opinion on the Underlying Group Financial Information and to report our opinion to you.

Basis of preparation

The Underlying Group Financial Information has been prepared for inclusion in the Admission Document on the basis of the accounting policies set out in note 3 to the Underlying Group Financial Information. This report is required by part (a) of Schedule Two to the AIM Rules for Companies and is given for the purposes of complying with the AIM Rules for Companies and for no other purpose.

Basis of opinion

We conducted our work in accordance with Standards of Investment Reporting issued by the Underlying Financial Reporting Council in the United Kingdom. We are independent of the Company and the Group in accordance with relevant ethical requirements. In the United Kingdom, this is the Financial Reporting Council's Ethical Standard as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our work included an assessment of evidence relevant to the amounts and disclosures in the Underlying Group Financial Information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the Underlying Group Financial Information and whether the accounting policies are appropriate to the Underlying Group's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Underlying Group Financial Information is free from material misstatement, whether caused by fraud or other irregularity or error.

Conclusions relating to going concern

We have not identified a material uncertainty related to events or conditions that, individually or collectively, may cast doubt on the ability of the Underlying Group to continue as a going concern for a period of at least 12 months from the date of this report. We therefore conclude that the Directors' use of the going concern basis of accounting in the preparation of the Underlying Group Financial Information is appropriate.

Declaration

For the purposes of Paragraph (a) of Schedule Two of the AIM Rules for Companies, we are responsible for this report as part of the Admission Document and we declare, to the best of our knowledge, the information contained in this report is in accordance with the facts and that this report makes no omission likely to affect its import. This declaration is included in the Admission Document in compliance with Schedule Two of the AIM Rules for Companies.

Yours faithfully,

Crowe U.K. LLP
Chartered Accountants

SECTION D: HISTORICAL FINANCIAL INFORMATION OF THE UNDERLYING GROUP

STATEMENTS OF CONSOLIDATED COMPREHENSIVE INCOME

The audited, consolidated Statements of Comprehensive Income of the Underlying Group for each of the three years ended 31 December 2018, 31 December 2019 and 31 December 2020 are set out below:

	Notes	Audited Year ended 31-Dec-18 £	Audited Year ended 31-Dec-19 £	Audited Year ended 31-Dec-20 £
Income		–	–	–
Administration costs	6	(405,750)	(223,703)	(139,223)
Loss before finance income and costs		(405,750)	(223,703)	(139,223)
Finance cost		(2,881)	(4,111)	(5,112)
Other income	7	290,677	–	–
Fair value through profit or loss	7	(7,484)	(81,788)	–
Loss before tax		(125,438)	(309,602)	(144,334)
Income tax	8	–	–	–
Loss for the year		(125,438)	(309,602)	(144,334)
Other comprehensive income:				
Foreign exchange differences arising on translation of functional currencies		34,506	6,858	(9,240)
Total comprehensive loss for the year		(90,932)	(302,744)	(153,575)

STATEMENTS OF CONSOLIDATED FINANCIAL POSITION

The audited, consolidated Statements of Financial Position of the Underlying Group as at 31 December 2018, 31 December 2019 and 31 December 2020 are set out below:

Consolidated financial position	Notes	Audited As at 31-Dec-18 £	Audited As at 31-Dec-19 £	Audited As at 31-Dec-20 £
Exploration and evaluation assets	9	50,133	68,602	69,186
Non-current assets		50,133	68,602	69,186
Cash and cash equivalents	1	6,773	83,690	95,635
Available for sale financial assets	10	207,305	–	–
Current assets		214,078	83,690	95,635
Borrowings	13	(45,074)	(46,755)	(53,843)
Provisions and accruals	15	(42,121)	(77,560)	(90,759)
Current liabilities		(87,195)	(124,315)	(144,602)
Total liabilities		(87,195)	(124,315)	(144,602)
NET ASSETS		177,016	27,977	20,220
EQUITY AND RESERVES				
Share capital and premium	11	301,905	455,609	601,427
Foreign exchange reserve		7,665	14,523	5,282
Accumulated loss		(132,553)	(442,155)	(586,490)
TOTAL EQUITY AND RESERVES		177,016	27,977	20,220

STATEMENTS OF CONSOLIDATED CHANGES IN EQUITY

The audited, consolidated Statements of Changes in Equity of the Underlying Group for each of the years ended 31 December 2018, 31 December 2019 and 31 December 2020 are set out below:

	Share capital £	Foreign exchange reserve £	Retained deficit £	Total £
As at 1 January 18	301,905	(26,841)	(7,115)	267,948
Loss from continuing operations after income tax	–	–	(125,438)	(125,438)
Other comprehensive income	–	34,506	–	24,834
Shares issued	–		–	–
As at 31 December 18	301,905	(7,665)	(132,533)	177,016
Loss from continuing operations after income tax	–	–	(309,602)	(309,602)
Other comprehensive income	–	6,858	–	6,858
Shares issued	153,705	–	–	153,705
As at 31 December 19	455,609	14,523	(442,155)	27,977
Loss from continuing operations after income tax	–	–	(144,334)	(144,334)
Other comprehensive expenditure	–	(9,240)	–	(9,240)
Shares issued	145,817	–	–	145,817
As at 31 December 2020	601,427	(5,282)	(586,490)	20,220

STATEMENTS OF CONSOLIDATED CASH FLOWS

The audited, consolidated Statements of Cash Flows of the Underlying Group for each of the years ended 31 December 2018, 31 December 2019 and 31 December 2020 and for the unaudited period to 30 June 2021 are set out below:

	Audited Year ended 31-Dec-18 £	Audited Year ended 31-Dec-19 £	Audited Year ended 31-Dec-20 £
Loss before tax for the year	(125,438)	(309,602)	(144,334)
Non-cash items:			
Share based payments	–	9,224	13,243
Equity-settled transactions	(214,790)	–	–
Impairments	136,794	–	–
Fair value movement on available for sale financial assets	35,271	81,788	–
Working capital movements:			
Movement in receivables	28,535	–	–
Movement in payables	42,121	35,439	13,199
Borrowings and loans – related party interest accrual	–	1,682	7,087
Proceeds from disposal of available for sale financial assets	–	125,518	–
Net cash used in operating activities	(95,623)	(55,952)	(110,806)
Expenditure on exploration and evaluation assets	(129,543)	(11,611)	(9,825)
Net cash used in investing activities	(129,543)	(11,611)	(9,825)
Proceeds from issue of ordinary shares	–	144,481	132,574
Borrowings and loans – related party	45,074	–	–
Net cash from financing activities	45,074	144,481	132,574
Net cash outflow for the year	(180,092)	76,918	11,945
Cash and cash equivalents b/fwd	186,865	6,773	83,690
Net cash flow	(180,092)	76,918	11,945
Cash and cash equivalents c/fwd	6,773	83,690	95,635

NOTES TO THE UNDERLYING GROUP FINANCIAL INFORMATION

1. GENERAL INFORMATION

The Underlying Group comprises the consolidation of the following entities:

- CleanTech Lithium Ltd, a company incorporated under the laws of England and Wales on 22 December 2020 with the number 13094466. Its registered office is located at 49 Greek Street, London, United Kingdom, W1D 4EG. CleanTech Lithium Ltd. acts as holding company for the Australian group and provides managerial support services to the Underlying Group;
- Chilean Lithium Salars Holdings PTY Ltd a company incorporated under the laws of Australia on 30 November 2017 with the number 623 170 123. Its registered office is located at level 4, 16 St. George Terrace, Perth, Western Australia 6000. Chilean Lithium Salars Holdings PTY Ltd acts as holding company for the Australian group. This company is in the process of being wound up and will not form part of the Underlying Group going forward;
- Chilean Lithium Salars PTY Ltd a company incorporated under the laws of Australia on 30 November 2017 with the number 619 059 862. Its registered office is located at level 4, 16 St. George Terrace, Perth, Western Australia 6000. Chilean Lithium Salars PTY Ltd acts as operating company for the Australian group. This company is in the process of being wound up and will not form part of the Underlying Group going forward;
- CLS Chile SpA, a company incorporated under the laws of Chile on 15 February 2018 with the number 76.847.306-4. Its registered office is located at ESTORIL, Nro. 50, Depto: 314, Comuna: LAS CONDES, Ciudad: SANTIAGO, ROL: 2741-43. CLS Chile SpA provides funding and managerial support to the Chilean exploration and development companies within the Underlying Group;
- Laguna Negro Francisco SpA, a company incorporated under the laws of Chile on 19 January 2019 with the number 76.844.777-2. Its registered office is located at ESTORIL, Nro. 50, Depto: 314, Comuna: LAS CONDES, Ciudad: SANTIAGO, ROL: 2741-43. Laguna Negro Francisco SpA is a mineral exploration and development company with exploration and evaluation assets in Chile;
- Laguna Escondida SpA, a company incorporated under the laws of Chile on 19 January 2019 with the number 76.844.773-K. Its registered office is located at ESTORIL, Nro. 50, Depto: 314, Comuna: LAS CONDES, Ciudad: SANTIAGO, ROL: 2741-43. Laguna Escondida SpA is a mineral exploration and development company with exploration and evaluation assets in Chile;
- Laguna Brava SPA, a company incorporated under the laws of Chile on 19 January 2018 with the number 76.844.779-9. Its registered office is located at ESTORIL, Nro. 50, Depto: 314, Comuna: LAS CONDES, Ciudad: SANTIAGO, ROL: 2741-43. Laguna Brava SPA is a mineral exploration and development company with exploration and evaluation assets in Chile;
- Atacama Tierras Blancas SpA, a company incorporated under the laws of Chile on 9 July 2019 with the number 77.050.425-2. Its registered office is located at ESTORIL, Nro. 50, Depto: 314, Comuna: LAS CONDES, Ciudad: SANTIAGO, ROL: 2741-43. Atacama Tierras Blancas SpA is a mineral exploration and development company with exploration and evaluation assets in Chile; and
- Atacama Salt Lakes SpA, a company incorporated under the laws of Chile on 29 November 2018 with the number 76.954.532-8. Its registered office is located at ESTORIL, Nro. 50, Depto: 314, Comuna: LAS CONDES, Ciudad: SANTIAGO, ROL: 2741-43. Atacama Salt Lakes SpA is a mineral exploration and development company with exploration and evaluation assets in Chile.

Although the Australian entities are in the process of being wound-up, the assets and liabilities are being transferred within the Underlying Group such that their being wound up will have no economic impact on the Underlying Group.

The Underlying Group's principal business activity is the acquisition and exploration of mineral assets in Chile. To date, the Underlying Group has not generated any revenues from its operations and is considered to be in the exploration stage.

The Underlying Group is in the process of exploring its exploration and evaluation assets and has not yet determined whether these properties contain reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets and related deferred costs is dependent upon the existence of economically recoverable reserves, the ability of the Underlying Group to obtain the financing necessary to complete the development of its exploration and evaluation assets and upon future profitable production.

2. BASIS OF PREPARATION

The principal accounting policies adopted by the Underlying Group in the preparation of the Underlying Group Financial Information are set out below.

The Underlying Group Financial Information has been prepared in accordance with International Accounting Standards as adopted by the UK (IFRSs as adopted by the UK), the Companies Act 2006 that applies to companies reporting under IFRS, and IFRS-IC interpretations. The standards have been applied consistently. The historical cost basis of preparation has been used, except for certain financial assets measured at fair value.

This is the first set of financial statement prepared under IFRS. Previous versions of financial statements prepared under Australian GAAP. On transition to IFRS the only significant transitional GAAP adjustments relate to the change in presentational currency and the foreign exchange differences arising from the translations of functional currency to presentational currency.

All amounts are presented are in GBP £ and rounded to the nearest £, unless otherwise specified.

Basis of consolidation

The Underlying Group Financial Information includes the financial information of:

- 100% of the UK entity, namely: CleanTech Lithium Ltd was incorporated on 22 December 2020;
- 100% of the Chilean entities, namely: CLS Chile SpA, Laguna Negro Francisco SpA, Laguna Escondida SpA, Laguna Brava SPA, Atacama Tierras Blancas SpA, and Atacama Salt Lakes SpA; and
- 100% of the Australian entities, namely: Chilean Lithium Salars Holdings PTY Ltd and Chilean Lithium Salars PTY Ltd (noting that process to close the two Australian layers commenced in early 2022 and it is anticipated this will be completed before the end of Q1 2022).

The Chilean entities within the Underlying Group do not include an overall Chilean incorporated holding company in the periods presented in the Underlying Group Financial Information. However, they have been under common management and control in those years.

The Underlying Group Financial Information has been prepared by aggregating the assets, liabilities, results share capital, share premium and reserves of CleanTech Lithium Ltd, Chilean Lithium Salary Holdings PTY Ltd and its wholly-owned subsidiary, Chilean Lithium Salary PTY Ltd, and the following Chilean Entities CLS Chile SpA, Laguna Negro Francisco SpA, Laguna Escondida SpA, Laguna Brava SPA, Atacama Tierras Blancas SpA and Atacama Salt Lakes SpA, after eliminating intercompany transactions, balances and unrealized gains on transactions between the consolidated entities. "*Share capital*" and "*share premium*" represent the aggregated share capital and share premiums of the companies comprising the Underlying Group.

Earnings per share

As the Underlying Group Financial Information has been prepared on a consolidated basis, it is not possible to measure earnings per share. Accordingly, the requirement of IAS 33 "*Earnings per Share*" to disclose earnings per share has not been complied with.

Going concern assessment

The Underlying Group Financial Information has been prepared on a going concern basis with the assumption that the Underlying Group will be able to realise its assets and discharge its liabilities in the normal course of business, rather than through a process of forced liquidation. However, the Underlying Group has sustained losses from operations since inception and has no current source of revenue.

Continued operations of the Underlying Group and further exploration and development of its exploration and evaluation assets is dependent on the Underlying Group's ability to obtain additional financing and generate profitable operations in the future. These material uncertainties may cast significant doubt about the Underlying Group's ability to continue as a going concern. The Underlying Group Financial Information does not reflect the adjustments to the carrying values of assets and liabilities, the reported amounts of expenses and the classification of Statement of Financial Position items if the going concern assumption was inappropriate. These adjustments could be material.

Standards and interpretations issued but not yet applied

At the date of the Underlying Group Financial Information, the Directors have reviewed the standards in issue by the International Accounting Standards Board and the International Financial Reporting Interpretations Committee, which are effective for periods beginning on or after the stated effective date but have not yet been applied. In their view, these standards would not have a material impact on the financial reporting of the Underlying Group.

3. SIGNIFICANT ACCOUNTING POLICIES

The preparation of the Underlying Group Financial Information in compliance with IFRS requires the Directors to exercise judgement in applying accounting policies associated with the Exploration for and Evaluation of Mineral Resources, the selection of the appropriate functional and presentational currencies and with share-based payments. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Underlying Group Financial Information are disclosed in Note 4 "*Significant Judgements, Estimates and Assumptions*" to the Underlying Group Financial Information.

Foreign currencies

Presentational and functional currency

The Underlying Group Financial Information is presented in GBP £.

Items included in the accounts of each of the Chilean entities are measured using the currency of the primary economic environment in which an entity operates (the "functional currency"). The functional currency of the Chilean entities: CLS Chile SpA; Laguna Negro Francisco SpA; Laguna Escondida SpA; Laguna Brava SPA; Atacama Tierras Blancas SpA; and Atacama Salt Lakes SpA is the Chilean Peso (CLP $).

The functional currency of the Australian entities: Chilean Lithium Salars Holdings PTY Ltd; and Chilean Lithium Salars PTY Ltd is the Australian dollar (AUD $).

The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21 "*The Effects of Changes in Foreign Exchange Rates*".

Transactions and balances

Foreign currency transactions are translated into the relevant functional currency using the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

The translation of the functional currencies, CLP $ and AUD $, into the presentation currency, GBP £.

The results and financial position of the Chilean entities from CLP $ and of the Australian entities from AUD $ are translated into Pounds Sterling (GBP £), the presentation currency, as follows:

- assets and liabilities on the Statement of Financial Position are translated at the closing rate at each reporting date;
- income and expenses in the Statement of Income are translated at average exchange rates, unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions; and

- all resulting exchange differences are recognised in "*other comprehensive income*".

On consolidation, exchange differences arising from the translation of the net investment in the Chilean entities are recognised in "*other comprehensive income*". When the Australian entities are wound up, any exchange differences will be recognised in profit or loss as part of the "*gain or loss on sale of investment*".

Income taxes

Income tax expense consists of current and deferred tax expense. Income tax expense is recognised in profit or loss.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the period end, and adjusted for amendments to tax payable with regards to previous years.

Deferred tax assets and liabilities are recognised for future tax consequences attributable to differences between the carrying amounts of existing assets and liabilities on the Statement of Financial Position and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realised or the liability settled.

The effect on deferred tax assets and liabilities of a change in tax rates is recognised in profit or loss in the period that substantive enactment occurs.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

The following temporary differences do not result in deferred tax assets or liabilities:

- the initial recognition of assets or liabilities that do not affect accounting or taxable profit; and
- goodwill.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Underlying Group intends to settle its current tax assets and liabilities on a net basis.

Exploration and evaluation assets

Exploration and evaluation assets are capitalised as intangible assets on an individual prospect basis until such time as an economic ore body is defined or the prospect is abandoned. No costs are capitalised until the legal right to explore the property has been obtained. When it is determined that such costs will be recouped through development and exploitation, the capitalised expenditure is first tested for impairment, then transferred to tangible assets and depreciated over the expected productive life of the asset.

Costs for a producing prospect are amortised on a unit-of-production method, based on the estimated life of the ore reserves, while costs for the prospects abandoned are written-off.

Impairment reviews for deferred exploration and evaluation assets are carried out on a project-by-project basis, with each project representing a single cash generating unit. An impairment review is undertaken when indicators of impairment arise but typically when one or more of the following circumstances apply:

- unexpected geological occurrences are identified that render the resource uneconomic;
- title to the asset is compromised;
- fluctuations in metal prices render the project uneconomic; or
- lack of available financing to progress the project.

Where the Underlying Group enters into exploration option agreements with third parties, the Underlying Group may acquire or dispose of mineral rights and certain benefits attached to those

mineral rights. Due to the fact that these options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as exploration and evaluation assets when payments are made, or as recoveries when payments are received, either against exploration and evaluation assets or as income within profit or loss depending on the nature of the option agreement.

The recoverability of the amounts capitalised for the undeveloped exploration and evaluation assets is dependent upon the determination of economically recoverable ore reserves, confirmation of the Underlying Group's interest in the underlying mineral claims, the ability to develop its exploration and evaluation assets, the ability to obtain the necessary financing to complete their development and future profitable production.

Environmental rehabilitation

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbances are caused by the exploration or development of exploration and evaluation assets due to statutory, contractual, constructive or legal obligations.

At the reporting date, the Underlying Group has no environmental rehabilitation obligations in Laguna Negro Francisco SpA, Laguna Escondida SpA, Laguna Brava SPA, Atacama Tierras Blancas SpA, or Atacama Salt Lakes SpA; as such, no provision has been recognised in the Underlying Group Financial Information.

The Directors' review annually for changes in regulatory requirements with respect to environmental rehabilitation obligations.

Available for sale financial assets

Available for sale financial assets are measured at fair value and consist of common shares in public companies. The fair value of shares in public companies are originally recorded at cost and then adjusted at the period end to reflect the fair value adjustment to align carrying value with market value. The fair value movements are recognised within the income statement.

Impairment

At the end of each reporting period, the carrying amounts of the Underlying Group's assets are reviewed to determine whether there is any indication that those assets are impaired (refer Note 9). If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment, if any.

The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognised in profit or loss.

For an asset that does not generate independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period to get ready for its intended use or sale (a qualifying asset) are capitalised as part of the cost of the respective asset.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available for a short-term from funds borrowed specifically to finance a project, the income generated from the temporary investment of such amounts is also capitalised and deducted from the total capitalised borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Underlying Group during the period.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred. Even though exploration and evaluation assets can be qualifying assets, they generally do not meet the "*probable economic benefits*" test and are also rarely debt funded. Any related borrowing costs incurred during this phase are therefore generally recognised in profit or loss in the period they are incurred.

Financial instruments

The Directors classify the Underlying Group's financial assets in the following categories:

- financial assets at "*fair value through profit or loss*"; or
- loans and receivables; or
- other financial liabilities.

The classification depends on the purpose for which the financial assets were acquired. The classification of the Underlying Group's financial assets are determined at initial recognition and depends on the nature and purpose of the financial instrument.

Financial assets at "fair value through profit or loss"

Financial instruments are classified as "*fair value through profit or loss*" when the financial instrument is held for trading or it is designated as "*fair value through profit or loss*".

A financial instrument is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near future;
- it is a part of an identified portfolio of financial instruments that the Underlying Group manages and has an actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial assets carried at fair value through profit or loss are initially recorded at fair value and transaction costs are expensed in profit or loss. Gains and losses arising from changes in the fair value of the financial asset held at "*fair value through profit or loss*" are included in profit or loss in the period in which they arise.

The Directors classified the Underlying Group's marketable securities as "*fair value through profit or loss*".

Loans and receivables

Other receivables and borrowings that have fixed or determinable payments that are not quoted in an active market are classified as "*loans and receivables*". "*Loans and receivables*" are initially recognised at the transaction value and subsequently carried at amortised cost less impairment losses. The impairment loss of receivables is based on a review of all outstanding amounts at year end.

The Directors have classified the Underlying Group's other receivables and borrowings as "*loans and receivables*".

Other financial liabilities

"*Other financial liabilities*" are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method, with interest expense

recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expenses over the corresponding period. The effective interest rate is the rate that exactly discounts estimated future cash payments over the expected life of the financial liability, or, where appropriate, a shorter period.

The Directors have classified the Underlying Group's other payables as "*other financial liabilities*".

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Underlying Group Financial Information requires the Directors to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, profit and expenses of the Underlying Group. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed by the Directors on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the revision affects both current and future periods.

The Directors have made the following judgements which may have a significant effect on the amounts recognised in the Underlying Group Financial Information:

Share-based payments

These represent shares issued to settle company overhead expenses and are included within administrative expenses.

Impairment

The Directors apply significant judgment in assessing each of the Underlying Group's cash-generating units and assets for the existence of indicators of impairment at the reporting date. Internal and external factors are considered in assessing whether indicators of impairment are present that would necessitate impairment testing. Significant assumptions regarding commodity prices, operating costs, capital expenditures and discount rates are used in determining whether there are any indicators of impairment. These assumptions are reviewed regularly by the Directors and compared, when applicable, to relevant market consensus views.

Functional currency

Items included in the accounts of each of the Underlying Group entities are measured using the currency of the primary economic environment in which an entity operates. For the Chilean entities (CLS Chile SpA, Laguna Negro Francisco SpA, Laguna Escondida SpA, Laguna Brava SPA, Atacama Tierras Blancas SpA and Atacama Salt Lakes SpA), the Directors have determined the functional currency to be the Chilean Peso (CPL $). For the Australian entities (CleanTech Lithium Ltd, Chilean Lithium Salary Holdings PTY Ltd and its wholly-owned subsidiary, Chilean Lithium Salary PTY Ltd), the Directors have determined the functional currency to be the Australian dollar (AUD $). For Underlying Group reporting purposes, the Directors have determined it most appropriate to utilise Pounds Sterling (GBP £) as the presentation currency. Judgement is required to be exercised in determining the functional currency, including assessing the underlying transactions, events and conditions which are relevant to an entity. The Directors have considered the currency in which funds are raised and in which expenditure is incurred as being the most relevant factors for consideration when determining the functional currencies for entities resident in Chile and Australia.

5. SEGMENTAL INFORMATION

The Underlying Group operates in business segments, being the exploration and evaluation of mineral properties. These activities are undertaken in Chile, alongside administrative operations in Australia (by entities being wound up) and in the UK.

31 December 2020

	Chilean Entities £	Australian Entities £	UK and other £	Total £
Net assets				
Investment in subsidiaries and associates	–	111,426	(111,426)	–
Exploration and evaluation assets	69,186	–	–	69,186
Non-current assets	69,186	111,426	(111,426)	69,186
Cash and cash equivalents	95,182	451	2	95,635
Current assets	95,182	451	2	95,635
Borrowings – related party and inter-group	(339,055)	285,212	–	(53,843)
Provisions and accruals	(90,759)	–	–	(90,759)
Current liabilities	(429,814)	285,212	–	(144,602)
NET ASSETS	(265,445)	397,089	(111,424)	20,220
Comprehensive loss				
Loss before income taxes	(110,085)	(21,050)	–	(131,135)
Income taxes	–	–	–	–
Loss for the year	(110,085)	(21,050)	–	(131,135)
Other comprehensive income				
Foreign exchange differences arising on translation of subsidiaries	(26,887)	17,647	–	(9,240)
Total comprehensive loss	(136,972)	(3,404)	–	(140,376)

31 December 2019

	Chilean Entities £	Australian Entities £	UK and other £	Total £
Net assets				
Investment in subsidiaries and associates	–	77,659	(77,659)	–
Exploration and evaluation assets	68,602	–	–	68,602
Non-current assets	68,602	77,659	(77,659)	68,602
Cash and cash equivalents	81,179	2,511	–	83,690
Available for sale financial assets	–	–	–	–
Current assets	81,179	2,511	–	83,690
Borrowings – related party and inter-group	(223,593)	176,837	–	(46,755)
Provisions and accruals	(77,560)	–	–	(77,560)
Current liabilities	(301,153)	176,837	–	(124,315)
NET ASSETS	(151,372)	257,007	(77,659)	27,977
Comprehensive loss				
Loss before income taxes	(238,338)	(35,826)	–	(274,163)
Income taxes	–	–	–	–
Loss for the year	(238,338)	(35,826)	–	(274,163)
Other comprehensive income				
Foreign exchange differences arising on translation of subsidiaries	10,649	(3,791)	–	6,858
Total comprehensive loss	(227,688)	(39,617)	–	(267,305)

31 December 2018

	Chilean Entities £	Australian Entities £	UK and other £	Total £
Net assets				
Investment in subsidiaries and associates	–	47,537	(47,537)	–
Exploration and evaluation assets	50,133	–	–	50,133
Non-current assets	50,133	47,537	(47,537)	50,133
Cash and cash equivalents	118	6,654	–	6,773
Available for sale financial assets	207,305	–	–	207,305
Current assets	207,424	6,654	–	214,078
Borrowings – related party and inter-group	94,023	(139,097)	–	(45,074)
Provisions and accruals	(42,121)	–	–	(42,121)
Current liabilities	51,902	(139,097)	–	(87,195)
NET ASSETS	309,459	(84,905)	(47,537)	177,016
Comprehensive loss				
Loss before income taxes	62,930	(136,575)	–	(73,645)
Income taxes	–	–	–	–
Loss for the year	62,930	(136,575)	–	(73,645)
Other comprehensive income				
Foreign exchange differences arising on translation of subsidiaries	4,252	(8,661)	28,025	23,616
Total comprehensive loss	67,182	(145,236)	28,025	(50,029)

6. STAFF COSTS

	Audited Year ended 31-Dec-18	Audited Year ended 31-Dec-19	Audited Year ended 31-Dec-20
Average monthly number of employees	#	#	#
Directors	3	2	2
Total	3	2	2

During the period under review, there were no employees involved in exploration and evaluation activities other than the directors. There were no management personnel who were not directors.

7. FAIR VALUE THROUGH PROFIT AND LOSS

In October 2018 a Definitive Option Agreement was signed with MGX Minerals Inc. ("MGX'), a company listed on the Canadian Stock Exchange, where MGX held the option to acquire 50% of the issued shares of the Chilean entities. Per the terms of the agreement the MGX agreed to make payments of CAD $1.5m, with the first USD $100,000 being paid in cash and the remainder payable in common shares. In April 2019 the Option was terminated by the Underlying Group, because one of the suspensive conditions was unfulfilled. Consequently, the Underlying Group exercised its right to terminate the agreement with no right of any compensation for MGX. Further detail is set out in Note 10.

The fair value adjustment aligns the MGX share price on the date of receipt of the MGX shares with the MGX share price at period end.

8. INCOME TAX

Income taxes are provided for the tax effects of transactions reported in the Underlying Group Financial Information and consist of taxes currently due, plus deferred taxes related to differences between the basis of assets and liabilities for financial and income tax reporting.

During the year ended 31 December 2020, no current or deferred tax liabilities were incurred or recognised due to the historical, and expected near-term, loss-making activities of the Underlying Group (2019: £nil, 2018: £6,399).

	Audited Year ended 31-Dec-18 £	Audited Year ended 31-Dec-19 £	Audited Year ended 31-Dec-20 £
Earnings attributable to shareholders	(73,645)	(274,163)	(131,135)
Tax charge for the year	–	–	–
Tax losses carried forward	(73,645)	(347,808)	(405,299)

At 31 December 2020, the Underlying Group had £405,299 tax losses of which £195,327 related to the Australian entities. An indefinite carryforward of net operating losses is permitted under Chilean tax rules.

9. EXPLORATION AND EVALUATION ASSETS

Expenses incurred to date by the Chilean entities on feasibility studies, mineral exploration and delineation were capitalised as "*exploration and evaluation assets*" within "*non-current assets*" in accordance with the Underlying Group's accounting policy.

	Audited Year ended 31-Dec-18 £	Audited Year ended 31-Dec-19 £	Audited Year ended 31-Dec-20 £
Balance as at 1 January	52,548	50,133	68,602
Additions	134,379	18,469	584
Impairments	(136,794)	–	–
Balance as at 31 December	50,133	68,602	69,186

Impairment assessments

The ability of the Underlying Group to explore and develop its exploration and evaluation assets and the future profitability of the Underlying Group are directly related to the market price of commodities. The Directors monitor commodity prices in forecasting their assessment of the carrying values of the Underlying Group's exploration and evaluation assets at each reporting period and whether there is any evidence of impairment. In 2018, the exploration and evaluation values capitalised in Laguna Brava SpA were provided for in full.

10. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	Audited Year ended 31-Dec-18 £	Audited Year ended 31-Dec-19 £	Audited Year ended 31-Dec-20 £
Balance at 1 January	–	207,305	–
Additions	214,790	–	–
Disposals	–	125,518	–
Loss in market value	(7,484)	81,788	–
Available-for-sale financial assets	207,305	–	–

In October 2018 a Definitive Option Agreement was signed with MGX Minerals Inc. ("MGX'), a company listed on the Canadian Stock Exchange, where MGX held the option to acquire 50% of the issued shares of the Chilean entities. Per the terms of the agreement the Company has agreed to make

payments of CAD $1.5m, with the first USD $100,000 payable in cash and the remainder payable in common shares. The shares issued by MGX were disposed of by the Underlying Group in full In 2019.

The cash and shares received were initially recognised in the Statement of Comprehensive Income at £290,677 in 2018, as per refer Note 7 "*Fair Value Through Profit and Loss*" to the Underlying Group Financial Information.

11. SHARE CAPITAL

Share capital

The Underlying Group Financial Information has been presented on a consolidated basis, consequently the carrying value of "*share capital*" within "*equity*" represents the aggregation of the carrying values of the consolidated issued share capital of each of the UK, Australian and Chilean entities.

	Audited Year ended 31-Dec-18	Audited Year ended 31-Dec-19	Audited Year ended 31-Dec-20
Number of shares in issue	#	#	#
Number of shares b/fwd	30,000,002	30,000,002	31,970,002
Issued during the year	–	1,970,000	1,963,102
Number of shares c/fwd	30,000,002	31,970,002	33,933,104

	Audited Year ended 31-Dec-18	Audited Year ended 31-Dec-19	Audited Year ended 31-Dec-20
Share capital	£	£	£
Share capital b/fwd	301,905	301,905	455,609
Issued during the year	–	153,705	145,817
Share capital c/fwd	301,905	455,609	601,427

12. OTHER RESERVES

Foreign currency translation reserve

The foreign currency translation reserve represents the differences arising on the translation of transactions from the functional currencies, namely: Chilean Pesos (CLP $) used for the Chilean entities; and Australian Dollars (AUD $) for the Australian entities (which are in the process of being wound up), into the presentation currency, Pounds Sterling (GBP £) at each reporting date.

Retained deficit

The retained deficit represents the consolidated losses of the Underlying Group, comprising the UK, Chilean and Australian entities since their respective incorporation dates. Movements during the year represent the consolidated comprehensive loss for that year.

13. BORROWINGS

	Audited Year ended 31-Dec-18	Audited Year ended 31-Dec-19	Audited Year ended 31-Dec-20
Repayable on demand (current)	£	£	£
Related party loans	(45,074)	(46,755)	(53,843)
Borrowings	(45,074)	(46,755)	(53,843)

In 2018, to support the Underlying Group's exploration and evaluation and working capital funding requirements, Mr Baverstock provided an unsecured loan which was repayable on demand had an annual compound interest rate of 8%. The loan was repaid in July 2021.

The movements in the borrowings during the periods under review reflect foreign exchange movements.

The carrying value of borrowings approximates their fair value.

14. RELATED PARTY TRANSACTIONS

Director loans

Both Mr. Baverstock and Mr. Boitano are related parties by virtue of their directorships with the entities in the Underlying Group. During the period under review, Mr. Baverstock provided loan financing to the Underlying Group to fund working capital and exploration and evaluation expenditure. The amounts provided are set out in Note 13 "*Borrowings*" to the Underlying Group Financial Information. Mr. Boitano also provided ad hoc financing support to the Underlying Group to fund working capital and exploration and evaluation expenditure. Related party transactions involving Mr. Boitano comprised settlements of liabilities on behalf of the Underlying Group or on behalf of Mr. Boitano and transfers by between Mr. Boitano to or from the Underlying Group under informal finance arrangements. In total net amount owing to the Company were waived and expensed to the Statement of Comprehensive Income, as follows: approximately £33,000 in 2020; £86,000 in 2019; and £106,000 in 2018. These amounts have been classified as Director fees. Any amounts advanced by or to Mr. Boitano were deemed repayable on demand and did not carry an interest rate.

15. PROVISIONS AND ACCRUALS

Provisions and accruals reflect the provision for taxes associated with the amounts classified as Director fees as per Note 14 "*Related Party Transactions*" to the Underlying Group Financial Information.

16. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Underlying Group's financial instruments consist of cash, marketable securities, receivables, accounts payable and accrued liabilities and debt. The carrying value of receivables, accounts payable and accrued liabilities approximate their fair values due to their immediate or short-term maturity and have been classified at amortised cost.

Marketable securities that are publicly traded are recorded at fair value using observable market data.

The Underlying Group is exposed to a variety of financial risks by virtue of its activities, including liquidity risk, credit risk, foreign currency risk, interest rate risk and commodity price risk.

The Directors' objective with respect to risk management is to minimise potential adverse effects on the Underlying Group's financial performance and position. The Directors are responsible for establishing controls and procedures to ensure that financial risks are mitigated to acceptable levels.

Liquidity risk

Liquidity risk is the risk that the Underlying Group will not be able to meet its obligations as they become due. The Underlying Group's ability to continue as a going concern is dependent on the Directors' ability to raise the funds required through future equity financings and asset sales, or a combination thereof. The Underlying Group has no regular cash flow from its operating activities.

The Directors manage the Underlying Group's liquidity risk by:

- maintaining adequate cash reserves through the use of the Underlying Group's cash received from equity placings and borrowings;
- continuously monitoring actual cash flows to ensure the Underlying Group maintains an appropriate amount of liquidity;
- forecasting cash flow requirements for the Underlying Group's planned exploration and development work programmes and its associated corporate activities. Based on this analysis, the Directors secure sufficient additional equity investment and borrowings to ensure an appropriate level of liquidity is maintained.

Failure to realise additional funding, as required, could result in the delay or indefinite postponement of further exploration of the Underlying Group's mineral properties and could result in the Underlying Group being unable to meet the continued listing requirements following admission to the London Stock Exchange.

All of the Underlying Group's liabilities are on demand or fall due in less than one year.

Credit risk

Credit risk is the risk of financial loss to the Underlying Group if a counter-party to a financial instrument fails to meet its contractual obligations. The maximum exposure to credit risk at the reporting date is the carrying value of the Underlying Group's receivables and cash. The Directors limit the Underlying Group's exposure to credit risk on liquid financial assets through maintaining the Underlying Group's cash with high credit-rated financial institutions.

Foreign currency risk

The Underlying Group has its only significant exposure to foreign currency risk through expenditures incurred on the Chilean entities' exploration and evaluation assets in Chile, denominated in Chilean Pesos. Cash balances held within the Underlying Group entities are denominated in their respective functional currencies.

A 10% movement in the GBP £/CLP $ and the GBP £/AUD $ exchange rates would increase/(decrease) net assets of the Underlying Group by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

As at 31 December 2020

Effect on net assets of the Underlying Group:

	£
Strengthened by 10%	(40,067)
Weakened by 10%	35,921

As at 31 December 2019

Effect on net assets of the Underlying Group:

	£
Strengthened by 10%	(19,216)
Weakened by 10%	15,947

As at 31 December 2018

Effect on net assets of the Underlying Group:

	£
Strengthened by 10%	(31,595)
Weakened by 10%	26,112

Interest rate risk

The Underlying Group is exposed to interest rate risk to the extent that the future cash flows of a financial instrument fluctuate due to changes in market interest rates. The Underlying Group's exposure to interest rate risk is minimal as cash is placed in deposits held with financial institutions that generate modest investment returns and furthermore, the Underlying Group has no financial liabilities subject to variable interest rates.

17. CAPITAL MANAGEMENT

The capital of the Underlying Group consists of the items included within "*equity*" on the Statement of Financial Position. The Directors manage the Underlying Group's capital structure based on the nature and availability of funding and the timing of expected or committed expenditures. The Directors' capital management policy is to maintain sufficient capital to support the acquisition, exploration and future development of the Underlying Group's exploration and evaluation assets and to provide sufficient funds for the Underlying Group's corporate activities.

The Underlying Group's exploration and evaluation assets are in the exploration stage and as an exploration stage group, the Underlying Group is currently unable to self-finance its operations. The Underlying Group has historically relied on equity financings and asset sales, or a combination thereof, to finance its activities. The Directors project the Underlying Group's future capital requirements by

planning the exploration and future development activities to be undertaken on its exploration and evaluation assets, and assessing the level of corporate activities that are necessary to support the growth and development of the Underlying Group. The Underlying Group is not subject to any externally imposed capital requirements.

18. COVID-19

In March 2020, the World Health Organisation declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Directors to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Underlying Group's business or its ability to raise funds.

During the year ended 31 December 2020, the Underlying Group did not receive any government support, rather it preserved cash by deferring exploration and evaluation work streams in the Chilean entities.

19. SUBSEQUENT EVENTS

In January 2021, the debt and equity investments made by the Australian entities into the Chilean entities were transferred to CleanTech Lithium Ltd (the UK entity) in a share for share exchange.

In July 2021, the Underlying Group repaid amounts owing to Mr. Baverstock.

Subsequent to 30 June 2021, approximately £4.0 million funding was raised through the issue ordinary shares in CleanTech Lithium Limited (the UK entity).

On 14 February 2022, a share exchange agreement between the shareholders of CleanTech Lithium Ltd (the UK entity) was agreed, resulting in the Company becoming the new parent company of the Underlying Group.

20. NATURE OF THE UNDERLYING GROUP FINANCIAL INFORMATION

The Underlying Group Financial Information presented above does not constitute statutory financial statements for the periods under review.

SECTION E: UNAUDITED INTERIM FINANCIAL INFORMATION OF THE UNDERLYING GROUP

STATEMENTS OF CONSOLIDATED COMPREHENSIVE INCOME

The unaudited, consolidated Statements of Comprehensive Income of the Underlying Group for the six-month periods ended 30 June 2021 and 30 June 2020 are set out below:

	Notes	Unaudited Six months ended 30-Jun-20 £	Unaudited Six months ended 30-Jun-21 £
Income		–	–
Administration costs		(61,291)	(230,660)
Loss before finance income and costs		(61,291)	(230,660)
Finance cost		(2,790)	(4,890)
Loss before tax		(64,080)	(235,550)
Income tax		–	–
Loss for the period		(64,080)	(235,550)
Other comprehensive income:			
Foreign exchange differences arising on translation of functional currencies		(12,008)	(10,160)
Total comprehensive loss for the period		(76,089)	(245,710)

STATEMENTS OF COMBINED FINANCIAL POSITION

The unaudited, consolidated Statement of Financial Position of the Underlying Group as at 30 June 2021 and as at 30 June 2020, together with the audited, consolidated Statement of Financial Position of the Underlying Group as at 31 December 2020, are set out below:

Consolidated financial position	Notes	Unaudited As at 30-Jun-20 £	Unaudited As at 30-Jun-21 £	Audited As at 31-Dec-20 £
Exploration and evaluation assets	5	68,767	514,280	69,186
Non-current assets		68,767	514,280	69,186
Cash and cash equivalents		36,723	184,650	95,635
Current assets		36,723	184,650	95,635
Borrowings	8	(51,738)	(54,000)	(53,843)
Provisions and accruals		(85,467)	(98,543)	(90,759)
Current liabilities		(137,205)	(152,543)	(144,602)
Total liabilities		(137,205)	(152,543)	(144,602)
NET ASSETS		(31,716)	546,388	20,220
EQUITY AND RESERVES				
Share capital and premium	6	472,005	(1,373,305)	601,427
Foreign exchange reserve		2,515	4,878	(4,390)
Accumulated loss		(506,236)	822,039	(581,207)
TOTAL EQUITY AND RESERVES		(31,716)	546,388	20,220

STATEMENTS OF CONSOLIDATED CHANGES IN EQUITY

The unaudited, consolidated Statements of Changes in Equity of the Underlying Group for the six-month period ended 30 June 2021 is set out below:

	Share capital £	Foreign exchange reserve £	Retained deficit £	Total £
As at 31 December 19	455,609	14,523	(442,155)	27,977
Loss from continuing operations after income tax	–	–	(64,080)	(64,080)
Other comprehensive expenditure	–	(12,008)	–	(12,008)
Shares issued	16,396	–	–	16,396
As at 30 June 20	472,005	2,515	(506,236)	(31,716)
As at 31 December 20	601,427	5,282	(586,490)	20,220
Loss from continuing operations after income tax	–	–	(235,550)	(235,550)
Other comprehensive expenditure	–	(10,160)	–	(10,160)
Shares issued	771,878	–	–	771,878
As at 30 June 21	1,373,305	(4,878)	(822,039)	546,388

STATEMENTS OF CONSOLIDATED CASH FLOWS

The unaudited, consolidated Statements of Cash Flows of the Underlying Group for the six-month periods ended 30 June 2021 and 30 June 2020 are set out below:

	Unaudited Six months ended 30-Jun-20 £	Unaudited Six months ended 30-Jun-21 £
Loss before tax for the period	(64,080)	(235,550)
Non-cash items:		
Share-based payments	1,285	1,309
Working capital movements:		
Increase in other payables	7,907	7,783
Borrowings and loans – related party interest accrual	4,983	158
Net cash used in operating activities	(49,905)	(226,300)
Expenditure on exploration and evaluation assets	(12,173)	(455,254)
Net cash used in investing activities	(12,173)	(455,254)
Issue of ordinary shares	15,111	770,570
Net cash from financing activities	15,111	770,570
Net cash outflow for the period	(46,968)	89,015
Cash and cash equivalents b/fwd	83,690	95,635
Effects of foreign exchange differences	(46,968)	89,015
Cash and cash equivalents c/fwd	36,723	184,650

NOTES TO THE UNDERLYING GROUP INTERIM FINANCIAL INFORMATION

1. GENERAL INFORMATION

The Underlying Group comprises the consolidation of the following entities:

- CleanTech Lithium Ltd, a company incorporated under the laws of England and Wales on 22 December 2020 with the number 13094466. Its registered office is located at 49 Greek Street, London, United Kingdom, W1D 4EG. CleanTech Lithium Ltd. acts as holding company for the Australian group and provides managerial support services to the Underlying Group;
- Chilean Lithium Salars Holdings PTY Ltd a company incorporated under the laws of Australia on 30 November 2017 with the number 623 170 123. Its registered office is located at level 4, 16 St. George Terrace, Perth, Western Australia 6000. Chilean Lithium Salars Holdings PTY Ltd acts as holding company for the Australian group. This company is in the process of being wound up and will not form part of the Underlying Group going forward;
- Chilean Lithium Salars PTY Ltd a company incorporated under the laws of Australia on 30 November 2017 with the number 619 059 862. Its registered office is located at level 4, 16 St. George Terrace, Perth, Western Australia 6000. Chilean Lithium Salars PTY Ltd acts as operating company for the Australian group. This company is in the process of being wound up and will not form part of the Underlying Group going forward;
- CLS Chile SpA, a company incorporated under the laws of Chile on 15 February 2018 with the number 76.847.306-4. Its registered office is located at ESTORIL, Nro. 50, Depto: 314, Comuna: LAS CONDES, Ciudad: SANTIAGO, ROL: 2741-43. CLS Chile SpA provides funding and managerial support to the Chilean exploration and development companies within the Underlying Group;
- Laguna Negro Francisco SpA, a company incorporated under the laws of Chile on 19 January 2019 with the number 76.844.777-2. Its registered office is located at ESTORIL, Nro. 50, Depto: 314, Comuna: LAS CONDES, Ciudad: SANTIAGO, ROL: 2741-43. Laguna Negro Francisco SpA is a mineral exploration and development company with exploration and evaluation assets in Chile;
- Laguna Escondida SpA, a company incorporated under the laws of Chile on 19 January 2019 with the number 76.844.773-K. Its registered office is located at ESTORIL, Nro. 50, Depto: 314, Comuna: LAS CONDES, Ciudad: SANTIAGO, ROL: 2741-43. Laguna Escondida SpA is a mineral exploration and development company with exploration and evaluation assets in Chile;
- Laguna Brava SPA, a company incorporated under the laws of Chile on 19 January 2018 with the number 76.844.779-9. Its registered office is located at ESTORIL, Nro. 50, Depto: 314, Comuna: LAS CONDES, Ciudad: SANTIAGO, ROL: 2741-43. Laguna Brava SPA is a mineral exploration and development company with exploration and evaluation assets in Chile;
- Atacama Tierras Blancas SpA, a company incorporated under the laws of Chile on 9 July 2019 with the number 77.050.425-2. Its registered office is located at ESTORIL, Nro. 50, Depto: 314, Comuna: LAS CONDES, Ciudad: SANTIAGO, ROL: 2741-43. Atacama Tierras Blancas SpA is a mineral exploration and development company with exploration and evaluation assets in Chile; and
- Atacama Salt Lakes SpA, a company incorporated under the laws of Chile on 29 November 2018 with the number 76.954.532-8. Its registered office is located at ESTORIL, Nro. 50, Depto: 314, Comuna: LAS CONDES, Ciudad: SANTIAGO, ROL: 2741-43. Atacama Salt Lakes SpA is a mineral exploration and development company with exploration and evaluation assets in Chile.

Although the Australian entities are in the process of being wound-up, the assets and liabilities are being transferred within the Underlying Group such that their being wound up will have no economic impact on the Underlying Group.

The Underlying Group's principal business activity is the acquisition and exploration of mineral assets in Chile. To date, the Underlying Group has not generated any revenues from its operations and is considered to be in the exploration stage.

The Underlying Group is in the process of exploring its exploration and evaluation assets and has not yet determined whether these properties contain reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets and related deferred costs is dependent upon the existence of economically recoverable reserves, the ability of the Underlying Group to obtain the financing necessary to complete the development of its exploration and evaluation assets and upon future profitable production.

2. BASIS OF PREPARATION

The principal accounting policies adopted by the Underlying Group in the preparation of the Underlying Group Financial Information are set out below.

The Underlying Group Interim Financial Information has been prepared in accordance with International Accounting Standards as adopted by the UK (IFRSs as adopted by the UK), the Companies Act 2006 that applies to companies reporting under IFRS, and IFRS-IC interpretations. The standards have been applied consistently. The historical cost basis of preparation has been used, except for certain financial assets measured at fair value.

All amounts are presented are in £ and rounded to the nearest £, unless otherwise specified.

Basis of consolidation

The Underlying Group Interim Financial Information includes the financial information of:

- 100% of the UK entity, namely: CleanTech Lithium Ltd was incorporated on 22 December 2020;
- 100% of the Chilean entities, namely: CLS Chile SpA, Laguna Negro Francisco SpA, Laguna Escondida SpA, Laguna Brava SPA, Atacama Tierras Blancas SpA, and Atacama Salt Lakes SpA; and
- 100% of the Australian entities, namely: Chilean Lithium Salars Holdings PTY Ltd and Chilean Lithium Salars PTY Ltd (noting that process to close the two Australian layers commenced in early 2022 and it is anticipated this will be completed before the end of Q1 2022).

The Chilean entities within the Underlying Group do not include an overall Chilean incorporated holding company in the periods presented in the Underlying Group Interim Financial Information. However, they have been under common management and control in those years.

The Underlying Group Interim Financial Information has been prepared by aggregating the assets, liabilities, results share capital, share premium and reserves of CleanTech Lithium Ltd, Chilean Lithium Salary Holdings PTY Ltd and its wholly-owned subsidiary, Chilean Lithium Salary PTY Ltd, and the following Chilean Entities CLS Chile SpA, Laguna Negro Francisco SpA, Laguna Escondida SpA, Laguna Brava SPA, Atacama Tierras Blancas SpA and Atacama Salt Lakes SpA, after eliminating intercompany transactions, balances and unrealized gains on transactions between the combined entities. "*Share capital*" and "*share premium*" represent the aggregated share capital and share premiums of the companies comprising the Underlying Group.

Earnings per share

As the Underlying Group Interim Financial Information has been prepared on a consolidated basis, it is not possible to measure earnings per share. Accordingly, the requirement of IAS 33 "*Earnings per Share*" to disclose earnings per share has not been complied with.

Going concern assessment

The Underlying Group Interim Financial Information has been prepared on a going concern basis with the assumption that the Underlying Group will be able to realise its assets and discharge its liabilities in the normal course of business, rather than through a process of forced liquidation. However, the Underlying Group has sustained losses from operations since inception and has no current source of revenue. Continued operations of the Underlying Group and further exploration and development of its exploration and evaluation assets is dependent on the Underlying Group's ability to obtain additional financing and generate profitable operations in the future. These material uncertainties may cast significant doubt about the Underlying Group's ability to continue as a going concern. The Underlying

Group Financial Information does not reflect the adjustments to the carrying values of assets and liabilities, the reported amounts of expenses and the classification of Statement of Financial Position items if the going concern assumption was inappropriate. These adjustments could be material.

Standards and interpretations issued but not yet applied

At the date of the Interim Underlying Group Financial Information, the Directors have reviewed the standards in issue by the International Accounting Standards Board and the International Financial Reporting Interpretations Committee, which are effective for periods beginning on or after the stated effective date but have not yet been applied. In their view, these standards would not have a material impact on the financial reporting of the Underlying Group.

3. ACCOUNTING POLICIES

The Underlying Group Interim Financial Information has been prepared in accordance with the accounting policies used in preparing the Underlying Group Financial Information set out in Section D "*Historical Financial Information of the* Underlying Group" of Part III "*Financial Information*" of this document.

4. SEGMENTAL INFORMATION

The Underlying Group operates in business segments, being the exploration and evaluation of mineral properties. These activities are undertaken in Chile, alongside administrative operations in Australia (by entities being wound up) and in the UK.

30 June 2021

Net assets	Chilean entities £	Australian entities £	UK and other £	Total £
Investment in subsidiaries and associates	–	297,688	(297,688)	–
Exploration and evaluation assets	514,280	–	–	514,280
Non-current assets	514,280	297,688	(297,688)	514,280
Cash and cash equivalents	183,026	1,591	33	184,650
Current assets	183,026	1,591	33	184,650
Borrowings – related party and inter-group	(880,613)	831,545	(4,933)	(54,001)
Other payables	(98,542)	–	–	(98,542)
Current liabilities	(979,155)	831,545	(4,933)	(152,543)
NET ASSETS	(281,848)	1,130,825	(302,588)	546,388
Comprehensive loss				
Loss before income taxes	(209,869)	(13,337)	13,025	(210,180)
Income taxes	–	–	–	–
Loss for the period	(209,869)	(13,337)	13,025	(210,180)
Other comprehensive income				
Foreign exchange differences arising on translation of subsidiaries	10,500	(20,320)	(341)	(10,160)
Total comprehensive loss	(199,369)	(33,657)	12,685	(220,341)

30 June 2020

Net assets	Chilean entities £	Australian entities £	UK and other £	Total £
Investment in subsidiaries and associates	–	77,241	(77,241)	–
Exploration and evaluation assets	68,767	–	–	68,767
Non-current assets	68,767	77,241	(77,241)	68,767
Cash and cash equivalents	34,229	2,494	–	36,723
Current assets	34,229	2,494	–	36,723
Borrowings – related party and inter-group	(232,295)	180,556	–	(51,738)
Other payables	(85,467)	–	–	(85,467)
Current liabilities	(317,762)	180,556	–	(137,205)
NET ASSETS	(214,766)	260,291	(77,241)	(31,716)
Comprehensive loss				
Loss before income taxes	(43,078)	(13,095)	7,907	(48,266)
Income taxes	–	–	–	–
Loss for the year	(43,078)	(13,095)	–	(56,173)
Other comprehensive income				
Foreign exchange differences arising on translation of subsidiaries	(17,559)	5,551	–	(12,008)
Total comprehensive loss	(60,637)	(7,545)	7,907	(60,274)

5. EXPLORATION AND EVALUATION ASSETS

During the period, all expenses incurred to date by the Chilean entities on feasibility studies, mineral exploration and delineation were capitalised as "*exploration and evaluation assets*" within "*non-current assets*" in accordance with the Underlying Group's accounting policy.

	Unaudited Six months ended 30-Jun-20 £	Unaudited Six months ended 30-Jun-21 £	Audited Year ended 31-Dec-20 £
Balance at 1 January	68,602	69,186	68,602
Additions	165	445,094	584
Balance as at 31 December	68,767	514,280	69,186

Impairment assessments

The ability of the Underlying Group to explore and develop its exploration and evaluation assets and the future profitability of the Underlying Group are directly related to the market price of commodities. The Directors monitor commodity prices in forecasting their assessment of the carrying values of the Underlying Group's exploration and evaluation assets at each reporting period and whether there is any evidence of impairment. In 2018, the exploration and evaluation values capitalised in Laguna Brava SpA in full.

6. SHARE CAPITAL

Share capital

The Underlying Group Interim Financial Information has been presented on a combined basis consequently the carrying value of "*share capital*" within "*equity*" represents the aggregation of the carrying values of the consolidated issued share capital of each of the UK, Australian and Chilean entities.

Number of shares in issue	Unaudited Six months ended 30-Jun-20 #	Unaudited Six months ended 30-Jun-21 #	Audited Year ended 31-Dec-20 #
Number of shares b/fwd	31,970,002	33,933,104	31,970,002
Issued during the period	–	5,318,000	1,963,102
Number of shares c/fwd	31,970,002	39,251,104	33,933,104

Share capital	Unaudited Six months ended 30-Jun-20 £	Unaudited Six months ended 30-Jun-21 £	Audited Year ended 31-Dec-20 £
Share capital b/fwd	455,609	601,427	455,609
Issued during the period	–	771,878	145,817
Foreign exchange movement	16,396	–	–
Share capital c/fwd	472,005	1,373,305	601,427

7. OTHER RESERVES

Retained deficit

The retained deficit represents the combined losses of the Underlying Group, comprising the UK, Chilean and Australian entities since their respective incorporation dates. Movements during the period represent the combined comprehensive loss for that period.

8. BORROWINGS

Repayable on demand (current)	Unaudited Six months ended 30-Jun-20 £	Unaudited Six months ended 30-Jun-21 £	Audited Year ended 31-Dec-20 £
Related party loans	(51,738)	(54,000)	(53,843)
Borrowings	(51,738)	(54,000)	(53,843)

In 2018, to support the Underlying Group's exploration and evaluation and working capital funding requirements, Mr Baverstock provided an unsecured loan which was repayable on demand had an annual compound interest rate of 8%. The loan was repaid in July 2021.

The movements in the borrowings during the periods under review reflect foreign exchange movements.

The carrying value of borrowings approximates their fair value.

9. RELATED PARTY TRANSACTIONS

Director loans

Both Mr. Baverstock and Mr. Boitano are related parties by virtue of their directorships with the entities in the Underlying Group. During the period under review, Mr. Baverstock provided loan financing to the Underlying Group to fund working capital and exploration and evaluation expenditure. The amounts provided are set out in Note 8 "*Borrowings*" to the Underlying Group Financial Information. Mr. Boitano also provided ad hoc financing support to the Underlying Group to fund working capital and exploration and evaluation expenditure. Related party transactions involving Mr. Boitano comprised settlements of liabilities on behalf of the Underlying Group or on behalf of Mr Boitano and transfers by between Mr. Boitano to or from the Underlying Group under informal finance arrangements. In total net amount owing to the Company were waived and expensed to the Income Statement as follows: approximately £20,000 in the six month period to 30 June 2020; £19,000 in the six month period to 30 June 2021.

These amounts have been classified as Director fees. Any amounts advanced by or to Mr. Boitano were deemed repayable on demand and did not carry an interest rate.

10. PROVISIONS AND ACCRUALS

Provisions and accruals reflect the provision for taxes associated with the amounts classified as Director fees as per Note 9 "*Related Party Transactions*" to the Underlying Group Financial Information.

11. COVID-19

In March 2020, the World Health Organisation declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Directors to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Underlying Group's business or its ability to raise funds.

During the periods ended 30 June 2020 and 30 June 2021, the Underlying Group did not receive any government support, rather it preserved cash by deferring exploration and evaluation work streams in the Chilean entities.

12. SUBSEQUENT EVENTS

In July 2021, the Underlying Group repaid amounts owing to Mr. Baverstock.

Subsequent to 30 June 2021, approximately £4.0 million funding was raised through the issue ordinary shares in CleanTech Lithium Ltd (the UK company).

On 14 February 2022, a share exchange agreement between the shareholders of CleanTech Lithium Ltd (the UK entity) was agreed, resulting in the Company becoming the new parent company of the Underlying Group.

13. NATURE OF THE UNDERLYING GROUP INTERIM FINANCIAL INFORMATION

The Underlying Group Interim Financial Information presented above does not constitute statutory financial statements for the periods under review.

SECTION F: ACCOUNTANT'S REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE COMPANY



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London W4 5YA

11 March 2022

Dear Sirs and Madams,

We report on the unaudited pro forma statement of net assets as at 31 December 2021 of CleanTech Lithium PLC (the "Company") (the "Pro Forma Financial Information") set out in Section G "*Unaudited Pro Forma Financial Information of the Company*" of Part III "*Financial Information*" of the Company's AIM admission document dated 11 March 2022 (the "Admission Document").

Opinion

In our opinion:

- the Pro Forma Financial Information has been properly compiled on the basis stated; and
- such basis is consistent with the accounting policies of the Company.

Responsibilities

It is the responsibility of the directors of the Company (the "Directors") to prepare the Pro Forma Financial Information.

It is our responsibility to form an opinion as to the proper compilation of the Pro Forma Financial Information and to report that opinion to you.

In providing this opinion, we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro Forma Financial Information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Basis of preparation

The Pro Forma Financial Information has been prepared on the basis described, for illustrative purposes only, to provide information about how:

- the issue of £4,000,000 of equity in CleanTech Lithium Limited subsequent to 30 June 2021;
- the acquisition by the Company of CleanTech Lithium Limited (and its subsidiaries); and
- the receipt of the gross Placing proceeds

might have affected the financial information presented on the basis of the accounting policies adopted by the Company in preparing the audited financial information for the period from incorporation on 1 December 2021 to 31 December 2021.

Basis of opinion

We conducted our work in accordance with Standards of Investment Reporting issued by the Financial Reporting Council in the United Kingdom. We are independent of the Company in accordance with relevant ethical requirements. In the United Kingdom this is the Financial Reporting Council's Ethical Standard as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro Forma Financial Information with the Directors.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro Forma Financial Information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Declaration

For the purposes of Item 1.2 of Annex 1 to the AIM Rules for Companies, we are responsible for this report as part of the Admission Document and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and that this report makes no omission likely to affect its import. This declaration is included in the Admission Document in compliance with Schedule Two of the AIM Rules for Companies.

Yours faithfully,

Crowe U.K. LLP
Chartered Accountants

SECTION G: UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE COMPANY

Set out below is the unaudited pro forma statement of net assets of the Company as at 31 December 2021 (the "Pro Forma Financial Information"). The Pro Forma Financial Information has been prepared on the basis of the accounting policies adopted by the Company in preparing the Company Financial Information and on the basis set out in the notes below, to illustrate the effects of:

- the issue by CleanTech Lithium Ltd of £4,000,000 of equity subsequent to 30 June 2021;
- the acquisition by the Company of CleanTech Lithium Ltd (and its subsidiaries); and
- the receipt of the gross Placing proceeds

on the net assets of the Company had the CleanTech Lithium Ltd equity issue, the acquisition, the Placing and settlement of the Placing and Admission costs occurred on 31 December 2021. The Pro Forma Financial Information has been prepared for illustrative purposes only. Due of its nature, the Pro Forma Financial Information addresses a hypothetical situation and, therefore, does not represent the Company's actual financial position at this date. It is based on the schedules used in preparing:

- the audited Company Financial Information, which is included in Section B "*Historical Financial Information of the Company*" of Part III "*Financial Information*" of this document; and
- the unaudited Underlying Group Interim Financial Information, which is included in Section E "*Interim Financial Information of the Underlying Group*" of Part III "*Financial Information*" of this document.

Users should read the whole of this document and not rely solely on the Pro Forma Financial Information contained in this Section G "*Unaudited Pro Forma Financial Information of the Company*" of Part III "*Financial Information*" of this document.

The accountant's report on the Pro Forma Financial Information is set out in Section F "*Accountant's Report on the Unaudited Pro Forma Financial Information of the Company*" of Part III "*Financial Information*" of this document.

Unaudited pro forma statement of net assets

	Audited Company As at 31 December 2021 (Note 1) £	Adjustment Underlying Group adjustment (Note 2) £	Adjustment CleanTech Lithium Ltd equity issue (Note 3)	Adjustment Placing and settlement of costs (Note 4) £	Unaudited pro forma balances £
Exploration and evaluation assets	–	514,280	–	–	514,280
Non-current assets	–	514,280	–	–	514,280
Cash and cash equivalents	–	184,650	4,000,000	4,796,000	8,980,650
Current assets	–	184,650	4,000,000	4,796,000	8,980,650
Total assets	–	698,930	4,000,000	4,796,000	9,494,930
Borrowings	–	(54,000)	–	–	(54,000)
Provisions and accruals		(98,543)	–	–	(98,543)
Current and total liabilities	–	(152,543)	–	–	(152,543)
Net assets	–	546,387	4,000,000	4,796,000	9,342,387

Notes

1. The audited financial information of the Company as at 31 December 2021 has been extracted from the Company Financial Information, as set out in Section B "*Historical Financial Information of the Company*" of Part III "*Financial Information*" of this document, and rounded to the nearest £.

2. The unaudited financial information of the Underlying Group as at 30 June 2021 has been extracted, without adjustment, from the Underlying Group Interim Financial Information, as set out in Section E "*Interim Financial Information of the Underlying Group*" of Part III "*Financial Information*" of this document.

3. The adjustment of £4,000,000 represents the aggregate issue of 20,000,000 ordinary shares of CleanTech Lithium Limited at £0.20 per share, subsequent to 30 June 2021.

4. The adjustment of £4,796,000 to cash and cash equivalents represents the gross Placing proceeds of £5,600,000, less settlement of the associated costs of the Placing and Admission of £804,000.

5. With respect to the acquisition by the Company of the Underlying Group, there are no adjustments to reflect in the Pro Forma Financial Information.

6. The Pro Forma Financial Information does not reflect any changes in the trading positions of either the Company or the Underlying Group, additional or subsequent acquisitions, or any other changes arising from other transactions since 31 December 2021 and 30 June 2021, respectively.

PART IV

COMPETENT PERSON'S REPORT

March 8, 2022
Competent Person Report

SUMMARY OF THE LAGUNA VERDE AND FRANCISCO BASIN PROJECTS REGION III, CHILE

Prepared for:

CleanTech Lithium PLC

De Carteret House, 7 Castle Street
St Helier, JE2 2BT, Jersey

Prepared by:

MONTGOMERY & ASSOCIATES CONSULTORES LIMITADA
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EFFECTIVE DATE: March 8, 2022

MONTGOMERY & ASSOCIATES

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APPENDICES

Appendix

A LABORATORY REPORTS

COMPETENT PERSON REPORT
March 8, 2022

SUMMARY OF THE LAGUNA VERDE AND FRANCISCO BASIN PROJECTS
REGION III, CHILE

1 INITIAL STATEMENT BY COMPETENT PERSON

The Competent Person (CP), Michael Rosko of Montgomery & Associates Consultores Limitada (Montgomery & Associates), was requested by CleanTech Lithium PLC (CleanTech) to review the exploration works previously conducted on mining concessions and associated liabilities located in Laguna Verde and the Francisco Basin in Chile, and to prepare a Competent Person Report (CPR) for the Projects. The purpose of this report is to summarize and comment on previous works and analyses, review quality of field data collected on the ground, review methodology and procedures, and provide conclusions and recommendations.

This report was prepared within 12 months of a previous technical report for the Laguna Verde and Francisco Basin areas by Feddersen (2021); Feddersen is a sole proprietor, and therefore cannot by AIM rules be a CP for the CPR. Therefore, his technical report, pursuant to the requirements of the Note for Mining and Oil & Gas Companies, June 2009 (AIM Note), which forms part of the AIM Rules for Companies, cannot be included in the AIM Admission Document being published by CleanTech in connection with its AIM IPO. The purpose for this report was to consolidate and validate previous results, and to prepare a CPR which complies with the requirements of the AIM Note. This CPR was prepared in accordance with the AIM Rules for Companies, including the AIM Note.

The CP does not accept responsibility for any errors or omissions in the supplied information and does not accept any consequential liability arising from commercial decisions or actions resulting from them. The report was conducted on the basis of reasonableness and the opinions presented in this report apply to the site conditions and features as they existed at

the time of this review executed by Montgomery & Associates personnel. The CP claims the right to change or modify its final recommendations and conclusions if new or new confidential information is provided afterward.

As of March 8, 2022, CP confirms that nothing has come to its attention to indicate any material changes to what is reported in the CPR.

2 EXECUTIVE SUMMARY

Michael Rosko MS PG, of Montgomery & Associates Consultores Limitada, was retained by CleanTech Lithium (CleanTech) to be the Competent Person (CP) and prepare a Competent Person Report (CPR) for their exploration concessions in Laguna Verde basin, and Laguna Negro Francisco basin. For preparation of this report, the CP relied heavily on the works by Feddersen (2021) in the Laguna Verde area, and earlier works by SRK Consulting (Kinnell, 2018) in the Laguna Negro Francisco basin area. The CP has carefully reviewed these reports and the supporting information used to prepare these reports and is confident that the exploration work by these other authors were conducted using industry standard methods, and that the conclusions and recommendations included in these reports are reasonable based on information available at the time. Additional information is needed to allow for improved hydrogeologic conceptualization of these brine aquifer systems, for improved levels of resource characterization in Laguna Verde, and for an initial lithium resource estimation in Francisco basin.

The bulk of the information for the Laguna Verde exploration work and resulting initial lithium resource estimate was summarized Feddersen (2021). Overall, the CP agrees that industry-standard methods were used, and that the initial lithium resource estimate is reasonable based on the information available. The initial resource consists of lithium contained in the surface brine of the lake (measured), and brine contained in sediments underlying the lake (inferred). The initial measured lithium resource estimate is supported by the information obtained in the field from lake bathymetry and brine sampling. Appropriately, the sediment brines below the lakes are characterized as “inferred” because of the uncertainty of the nature of the aquifer and brine chemistry. The CP agrees with the recommendations for exploration drilling and sampling to confirm the presence of a brine aquifer underlying the lake, and to allow for an improved resource characterization and estimation of the inferred lithium resource in those sediments.

For evaluation of the work that was done in the Francisco Basin concessions, the CP relied on the Kinnell (2018) report, and supporting geophysical reporting (Terra Pacific, 2018). The

Kinnell report consisted of a summary of the geophysics and lake brine sampling conducted to date; no estimated lithium resource is included in this report. With the exception of brine sampling in May 2018 (Sanchez, 2018) and by the CP on October 9, 2021, no additional field investigations have been done in the basin since preparation of this report. As of the writing of this CPR, CleanTech is planning an exploration drilling campaign to explore the aquifer located in their concessions at Laguna Verde and Francisco basin.

2.1 LAGUNA VERDE CONCESSIONS

The CleanTech mining concessions located in the Laguna Verde basin are centered at 26° 53' Latitude S and 68° 28' Longitude W, with an average altitude of 4,330 meters above sea level (masl), near the Chile – Argentina boundary, in the Atacama Region III, Chile. CleanTech holds 2,437 hectares of exploitation mining concessions in Laguna Verde under a registered option agreement (the Laguna Verde Option Agreement as further described below) and 4,235 hectares of exploration mining concessions. The concessions are readily accessible via a network of paved roads. The closest major city is Copiapó, approximately 275 km from the Laguna Verde. The Project area is easily accessible except in periods of significant snowfall. The use of 4WD vehicles is not mandatory and the travel from Copiapó to Laguna Verde takes less than 4 hours.

Laguna Verde's physiography is characterized by an inverted "U" shaped, closed basin which is 20 km long and less than 4 km wide, that contains an elongated shallow hyper saline lagoon, named "Laguna Verde", surrounded by high altitude volcanic mountains. The climate corresponds to arid alpine with minimum temperatures that can reach -20°C during winter nights and maximum temperatures below 15°C in summertime. Snow precipitation is sporadic but common in the winter months, however significative summer precipitation can occur. The annual average precipitation ranges from about 100 to 150 millimeters (mm) and the evaporation rate ranges from about 1,000 mm to 1,160 mm per year.

Laguna Verde basin is surrounded by different volcanic deposits from Late Miocene to Holocene age. The basin stratigraphy beneath the lagoon is characterized by a shallow band

of moderately consolidated tuffs from Laguna Verde Ignimbrite, overlying a much thicker sedimentary deposits composed by coarse sands and gravels of Late Miocene – Pliocene age. Beneath these deposits are presumably Tertiary volcano-sedimentary deposits, all overlying a Tertiary volcanic basement complex.

The exploration history in the concession area starts with freshwater exploration in the 1990's by the French Institute de Recherche pour le Development. Hiner (2010) published an NI 43-101 Technical Report on Laguna Verde for Pan American Lithium Corp., which included an estimated 512,960 metric tons of lithium carbonate equivalent and 4,223,123 metric tons of potassium chloride being reported as inferred resources for the surface lagoon. Subsequent lake bathymetry identified this initial estimate as largely overstated based on a much-reduced lake volume. In 2011, SRK Consulting conducted a hydrogeological study of the Piedra Pomez wellfield area, about 30 km west from Laguna Verde, which included a geophysical gravity survey of the Laguna Verde basin. In the years 2017 to 2018, Wealth Minerals Ltd. conducted unpublished exploration activities.

Servicios Geológicos Geodatos SAIC (Geodatos, 2021a) made a bathymetry survey in May, 2021. The study shows that the lake has a maximum depth of about 7.18 m with an average depth of 4.03 m. A 3D model of the water brine volume in the lagoon was built using the bathymetry point data. The calculated water volume is 59,490,027 m^3; this value was used to estimate the measured lithium resource in the lake water.

In May 2021, Geodatos (2021b) also completed a Transient Electro Magnetic (TEM) geophysical survey at Laguna Verde, consisting of 171 TEM stations, separated by 400 m and distributed in eleven geophysical profiles. The TEM study shows a thick and consistent low resistivity layer beneath the lagoon, interpreted to be sedimentary deposits saturated with brine. This low resistivity unit constitutes the main exploration target. A 3D model was built for the conductive geo-electric unit below 2 Ohm-m from this unit. The model has an exploration potential volume of 8.1 billion m^3 and this volume was used for the sub-surface inferred resource estimation.

In early June 2021, lake brine samples were obtained at various depths in the lake (Feddersen, 2021). The sampling included 34 samples obtained over an 800 m grid which covered the entire lake area. The laboratory results showed that an average Li grade of about 246 mg/L occurs throughout the lake. The CP agrees with the results of the sampling that the results are suitable for resource estimation for both the surface brine resource and the sub-surface resource. The CP has been informed that resource drill programme at Laguna Verde commenced in January 2022.

Laguna Verde's brine resources include a surface brine resource calculated from the brine volume of the lake, and a larger estimated subsurface resource hosted in volcano-clastic sediments that lies beneath the lagoon. The estimation for the surface brine resource and the sub-surface resource is summarized in the following table (Feddersen, 2021).

Surface Brine Resource			
Volume	**m^3**	**59,490,027**	
Average Grade Li	**mg/l**	**246**	
Li Mass	ton	14,622	
Measured Resource (Lithium Carbonate)	**tonne**	**77,834**	
Sub-Surface Resource			
Volume	**m^3**	**8,100,000,000**	
Estimated Specific Yield	**%**	**11%**	**Equivalent to Drainable Porosity**
Average Grade Li	**mg/l**	**246**	
Li Mass	tonne	219,002	
Inferred Resource (Lithium Carbonate)	**tonne**	**1,165,750**	

Source: Feddersen (2021)

Notes:

1. 100% of the estimated resource is owned by CleanTech
2. The reader is cautioned that mineral resources are not mineral reserves and do not have demonstrated economic viability.

As of the writing of this report, no environmental, economic, community relations have been done, or results conveyed to the CP.

2.2 FRANCISCO BASIN CONCESSIONS

The Negro Francisco Basin Project is located 100 km southeast of the regional center of Copiapó. The Project is owned by CleanTech and has good access via a regional highway and established tracks. The Project has a total lease area of 129 km^2, of which 60 km^2 falls within the Nevado Tres Cruces National Park. The remaining 69 km^2 lease area located outside the park. In January 2018, reconnaissance brine sampling at the Project was conducted (Kinnell, 2018) which confirmed lithium enrichment in the surface brines in the northern-most lake. Average lithium content of the near-surface samples taken at the edge of the lake was 375 mg/L. A separate bulk sample was taken in May 2018 from the same lake and had a lithium content of 694 mg/L. Adjacent surface water south from the brine lake, which is fed dominantly by river flow from the Rio Astaburuaga, show relatively low concentrations of lithium. Exploration was also attempted in 2018 but was unsuccessful in completing wells; several brine samples were obtained at one of the boreholes, during the drilling when freshwater from an upper aquifer has not been cased and sealed from mixing with the deeper exploration target aquifer brine. Lithium concentrations were less than 100 mg/L, reasonably assumed to be low due to dilution. To date, no other groundwater samples are known by the CP to have been obtained in any of the concessions in Francisco Basin.

A geophysical program comprising an electromagnetic survey was completed in April 2018 and documented in Terra Pacific (2018) and summarized by SRK Consulting (Kinnell, 2018). The survey indicated the presence of low resistivity units in two zones with significant thickness and horizontal coverage. Based on these results, it is feasible that the low resistivity values are associated with a brine aquifer system that underlies the freshwater system. The CP has experience in other basins where, due to differences in the density of brine versus freshwater, fresh water entering the basin will effectively "float" on denser brine that will flow to the deeper parts of an aquifer system via density flow.

Based on the concentrated levels of lithium in the northern lake, and the low resistivity of the deeper parts of the aquifer to the south, there is a reasonable inference that a brine system exists underlying the CleanTech concessions. To date, CleanTech has applied for and received permits for six exploration wells in the concessions south of the lake complex in the Francisco Basin. The CP agrees with the previous studies that further drilling exploration of these concessions is justified. The CP has been informed that resource drill programme at Francisco Basin commenced in February 2022.

As of the writing of this report, a lithium resource has not been estimated for the Francisco Basin concessions. With the exception of a preliminary environmental assessment done in order to obtain exploration drilling permits, no other environmental, economic, processing methods, community relations, or other studies associated with future potential production of lithium have been done or conveyed to the CP.

2.3 CP RECOMMENDATIONS

The CP agrees with the recommendations provided previously to continue exploration drilling to further characterize the lithium brine for each Project. In addition, the CP recommends that the focus be on obtaining reliable depth-specific core and brine samples to allow for a reliable initial resource estimate for the Francisco Basin Project and for a measured resource estimate for the Laguna Project. Ultimately, following additional drilling exploration, if appropriate, additional pumping wells and a calibrated groundwater flow model should be constructed to estimate a lithium reserve for the Projects.

CleanTech's strategy for the progression of its assets is to continue exploration aimed at upgrading the current resource estimate at the Laguna Verde Project and to produce a maiden resource estimate for the Francisco Basin Project. At the same time, CleanTech is focused on progressing DLE test-work which will advance from laboratory scale work which aims to produce 1kg of battery grade lithium to the building of a pilot plant that will produce 10 tonnes per month of battery grade lithium.

Over the 18 month period from 1 January 2022, CleanTech has budgeted a total expenditure of approximately £8.7 million which covers overheads, land holding fees, IPO costs and the following key exploration activities and DLE test-work:

- Laguna Verde: **£ 920,000** for completing an initial four-hole programme of wide diameter RC and diamond drill holes. The drilling programme will proceed in two phases over the 2022 and 2023 drilling seasons with the first phase focused on upgrading the existing resource estimate which is classified as Inferred under the JORC code, into a Measured plus Indicated resource estimate. Both the wide diameter RC drilling method and the diamond drilling method provide the opportunity to install cased holes that can be pump tested, and ultimately converted to production wells or hydrogeological monitoring wells.

  The second phase of drilling in 2023 will comprise a larger number of holes and utilize various drilling methods in order to achieve a further upgrading of the resource category, installation of production wells and hydrogeological evaluation of the basin including brine re-injection. The second phase has not been budgeted at present as the final planning of the programme will be influenced by the results achieved in the first phase of work.

- Francisco Basin: **£ 1,140,000** for completing an initial four-hole programme using the same drilling methods as described for Laguna Verde. At the Francisco Basin the first phase of drilling will test the 10 – 15km^2 area identified by geophysics with the aim of establishing a maiden Inferred resource estimate at the project. Phase two in 2023 will focus on upgrading the resource estimate, installation of production wells and hydrogeological evaluation of the basin including brine re-injection.

- DLE test-work: **£ 2,153,000** for the completion of laboratory scale and pilot scale direct lithium extraction test-work. The laboratory scale test work is proceeding over a six-month period which aims to produce 1kg of battery grade lithium. The major component of this budget is the engineering and construction of a pilot scale plant, over

a period of one year, that aims to produce 10 tonnes of battery grade lithium per month. This work will be undertaken by Beyond Lithium, a leading consultant in direct lithium extraction with whom CleanTech Lithium Ltd has entered the Cooperation Agreement. The process developed for the project is expected to be a patentable process and the Group will retain full rights to the patent. Pilot scale production will be a critical stepping stone on the path to becoming a commercial scale lithium producer.

- Environmental, permitting and feasibility studies: **£ 1,337,000** for completion of an environmental impact study and a subsequent application for an environmental permit; the completion of production permits for lithium which in Chile are called 'Special Operating Contracts for Lithium' known by the Spanish abbreviation of CEOL, which have been submitted for both projects in January 2022; and finally for the Laguna Verde project both a scoping study and pre-feasibility study have been budgeted for completion in 2022 and a final feasibility study has been scheduled in 2023.

3 INTRODUCTION

CleanTech Lithium (CleanTech) has retained Michael Rosko of Montgomery & Associates (Montgomery or M&A) to function as the Competent Person (CP) for preparation of a Competent Person Report (CPR) for the Laguna Verde and Francisco Basin Projects located in Region III, Chile. The Projects are wholly owned (either directly or under option) by CleanTech and are currently being considered for additional exploration activities.

The Projects consist of lithium brine deposits located in high-altitude closed basins. Both Projects are located in closed, evaporitic salar basins hosting brine aquifers and lakes enriched in lithium and potassium. Planned extraction of the brine would be done by a combination of surface water pumping and wellfield pumping. Extraction of the lithium would be done using a direct lithium extraction technology to minimize effects to the surface water levels.

This CPR provides an evaluation of the exploration work, analyses, methods, and in the case of Laguna Verde, the estimated lithium resource. Sources used to prepare this CPR come mainly from the following main documents provided by CleanTech:

- The Joint Ore Reserves Committee (JORC) technical report for a lithium resource estimate for the Laguna Verde area (Feddersen, 2021)
- The summary report for the lake bathymetry used to calculate the total quantity of brine in the lake (Geodatos, 2021a)
- Sampling protocol documents and photos of the lake sampling at Laguna Verde
- Original laboratory results for the Laguna Verde sampling
- Original TEM geophysical report for the Laguna Verde area (Geodatos, 2021b)
- The block models used to generate the estimated resource for Laguna Verde, including the GEMS model
- Exploration report for the Francisco Basin area (Kinnell, 2018)

- Updated technical memo for the Francisco Basin area which included preliminary lithium processing plans (SRK, 2019)
- Original TEM geophysical report for the Francisco Basin area (Terra Pacific Solutions, 2018)
- Original laboratory results for the Francisco Basin sampling
- Concession ownership documents were provided for both Project areas.

In addition to the main documents reviewed, a large amount of historic, technical, and administrative supporting documents were also provided. During the review process, the CP had access to the Cleantech data room. CleanTech personnel were extremely responsive to questions and information requests from the CP.

On October 9, the CP visited both Project areas with C. Feddersen; details are included later in this document along with the results of the independent brine samples obtained by the CP and analyzed by an accredited laboratory. It is the opinion of the CP that the amount and reliability of the information provided to the CP for preparation of this document was adequate for the conclusions provided in this document.

4 RELIANCE ON OTHER EXPERTS

The CP relied on CleanTech regarding the legal aspects of the Projects, including confirmation that the location and status of the mining concessions described in this CPR are accurate. In addition, proposed process method information was provided to the CP by CleanTech.

5 METHODOLOGIES AND INDUSTRY STANDARDS

The CP has reviewed the field and analytical methods of the work completed in both the Laguna Verde and Francisco Basin concessions, including geophysical and bathymetric surveys. Most importantly, the field sampling of brines was done in accordance with generally accepted industry standards. The quality control data based upon the insertion of field blanks and field duplicates indicate that the analytical data are accurate, and the samples being analyzed are representative of the brine in the lakes.

It is the opinion of Michael Rosko of Montgomery & Associates, CP, that the information developed during the field operations in both the Laguna Verde and Francisco Basin concession areas is accurate and reliable, and the estimated resources were prepared in accordance with JORC standards. Although the QAQC protocols were not described in detail for the sampling in the Francisco Basin area, we believe that the results are acceptable. We recommend that for future sampling events, formal sampling protocol documents be prepared and adhered to.

6 OVERVIEW OF THE REGIÓN, LOCATION AND ASSETS

6.1 LAGUNA VERDE PROJECT

Laguna Verde is classified as an immature clastic salar according to the classification system used by Houston et al. (2011). Laguna Verde features a hypersaline lagoon corresponding to the topographic low area of the basin. The Laguna Verde Project consists of several mining concessions centered at 26° 53' Latitude S and 68° 28' Longitude W, with an average altitude of 4,330 masl. The concessions are located approximately 192 km north east of Copiapó city, near the Chile-Argentina border, Copiapó Municipality, Copiapó Province, Atacama III Region, Chile, and are shown on **Figure 1**.

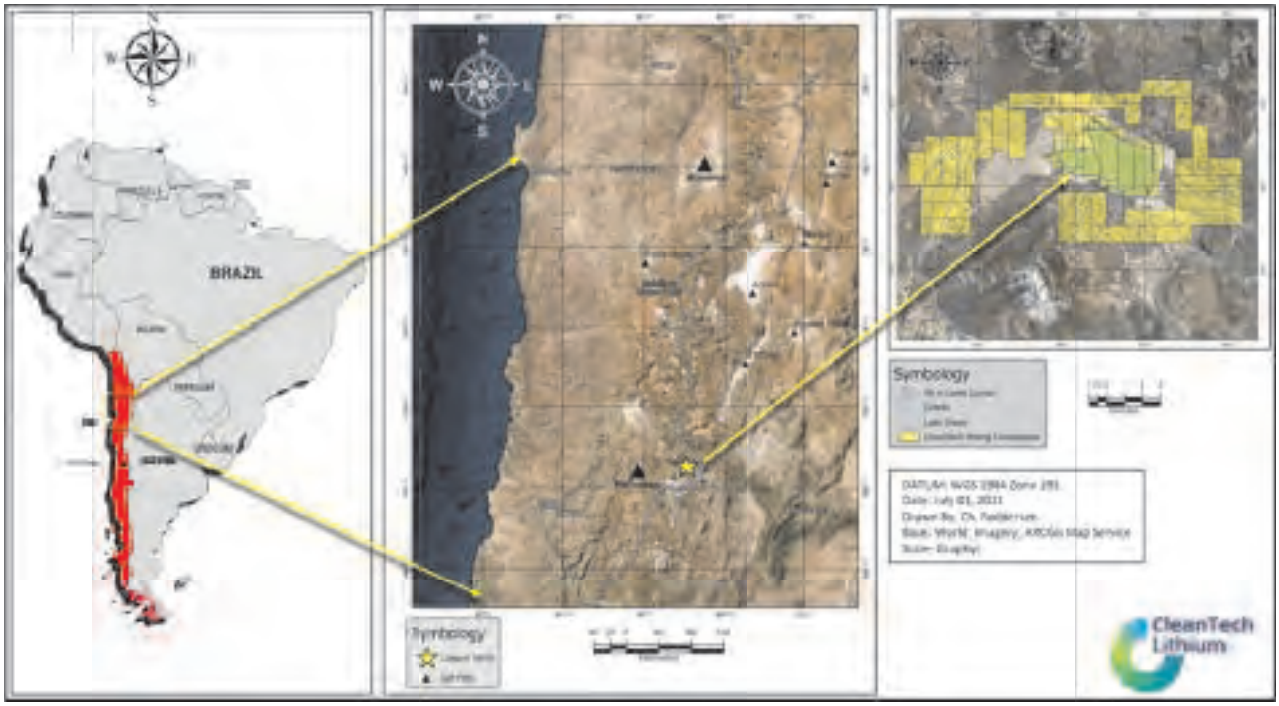


Figure 1. Laguna Verde Project Location Map

6.1.1 Infrastructure Around Laguna Verde Project

The only major infrastructure in the area is the paved route R-31. A hot spring heated shelter located on the south western shore of the lake, and the abandoned, 2-story Laguna Verde police station, located on the south eastern shore of the lake, both serve as basic refuge at the lake. There is a temporary shelter for tourists that climb the Ojos del Salado volcano, located 20 km southwest from the lake. Finally, there is a small police control and Chilean Customs installation located in the north eastern edge of Maricunga Salt Flat, 55 km west from Laguna Verde.

6.1.2 Laguna Verde Mining Concessions

Exploitation Mining Concessions or (Propiedad Minera) over the central lake area of the Laguna Verde basin, are held indirectly by CleanTech pursuant to the Laguna Verde Option Agreement. In addition, CleanTech holds additional Exploration Mining Concessions (Pedimentos) in surrounding areas of the basin.

6.1.3 CleanTech Lithium Exploitation Mining Concessions

CleanTech's wholly owned subsidiary, Atacama Salt Lakes SpA (Atacama) has an exclusive purchase option for the 100% of twenty-three (23) registered Exploitation Mining Concessions (Pertenencias) under the Laguna Verde Option Agreement. The individual concessions which total 2,926 hectares, cover an effective area of 2,437 hectares due to the overlapping of some of the concessions (**Figure 2**).

Pursuant to the Laguna Verde Option Agreement Atacama is granted a unilateral and irrevocable option to purchase, at its sole discretion, certain mining rights of exploration and exploitation (the Concessions) owned by certain offerors (the Vendors). The price payable by Atacama to the Vendors is to be calculated in reference to (i) a fixed price of $334,000, and (ii) a variable price (Variable Price). The Variable Price shall comprise a 20 per cent. cash payment with the remaining 80 per cent. being satisfied by the issue of shares. The minimum Variable Price payable by Atacama to the Vendors pursuant to the Laguna Verde Option

Agreement is limited to $3,500,000. Other key terms and conditions of the Laguna Verde Option Agreement are summarized in CleanTech's Admission Document.

The Exploitation Concession subject to the Laguna Verde Option Agreement are summarized in **Table 1**.

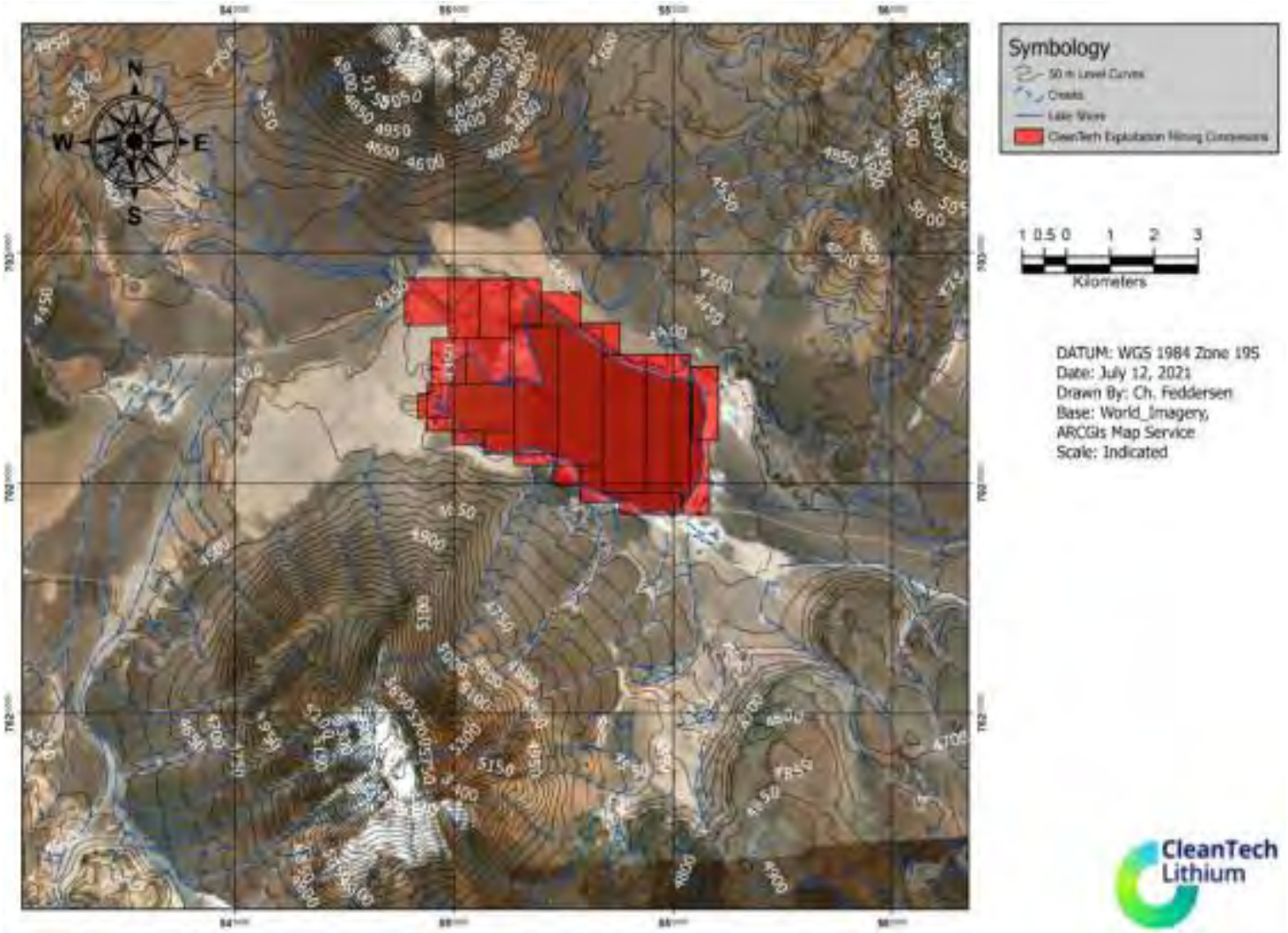


Figure 2. CleanTech Exploitation Mining Concessions in Laguna Verde

Table 1. Exploitation Concessions indirectly held by CleanTech pursuant to the Laguna Verde Option Agreement

Licence's Name	Type of Licence/ Status	Titleholder	Interest (%)	Expiry Date	Surface (hectares)	Comments
Laguna I, 1 al 20	Exploitation	Sociedad Legal Minera IUna del Sector de Laguna Verde	100%	Indefinite	200	Under LV Option infavour of Atacama Salt Lakes SpA
Laguna 2, 1 al 30	Exploitation	Sociedad Legal Minera2 Una del Sector de Laguna Verde	100%	Indefinite	300	Under LV Option infavour of Atacama Salt Lakes SpA
Laguna 3, 1 al 30	Exploitation	Sociedad Legal Minera3 Una del Sector de Laguna Verde	100%	Indefinite	300	Under LV Option infavour of Atacama Salt Lakes SpA
Laguna 4, 1 al 30	Exploitation	Sociedad Legal Minera3 Una del Sector de Laguna Verde	100%	Indefinite	300	Under LV Option infavour of Atacama Salt Lakes SpA
Laguna 5, 1 al 30	Exploitation	Sociedad Legal Minera3 Una del Sector de Laguna Verde	100%	Indefinite	300	Under LV Option infavour of Atacama Salt Lakes SpA
Ximena 1 al 12 (National Role 03201-9964-6)	Exploitation	Sociedad Legal Minera Ximena Unade la Sierra La Paloma	100%	Indefinite	96	Under LV Option infavour of Atacama Salt Lakes SpA
Ximena 1 al 12 (National Role 03201-9955-7)	Exploitation	Sociedad Legal Minera Ximena Unade la Sierra La Paloma	100%	Indefinite	96	Under LV Option infavour of Atacama Salt Lakes SpA
Ximena 1 al 12 (National	Exploitation	Sociedad Legal Minera	100%	Indefinite	60	Under LV Option infavour of Atacama

Role 03201-9965-4)		Ximena Unade la Sierra La Paloma				Salt Lakes SpA
Máximo 1 al 13 (National Role 03201-9962-K)	Exploitation	Sociedad Legal Minera Máximo Una de la Sierra La Paloma	100%	Indefinite	91	Under LV Option infavour of Atacama Salt Lakes SpA
Máximo 1 al 13 (National Role 03201-9951-4)	Exploitation	Sociedad Legal Minera Máximo Una de la Sierra La Paloma	100%	Indefinite	91	Under LV Option infavour of Atacama Salt Lakes SpA
Máximo 1 al 13 (National Role 03201-9956-5)	Exploitation	Sociedad Legal Minera Máximo Una de la Sierra La Paloma	100%	Indefinite	91	Under LV Option infavour of Atacama Salt Lakes SpA

Estribillo 1 al 10 (National Role 03201-9961-1)	Exploitation	Sociedad Legal MineraEstribillo Unade la Sierra La Paloma	100%	Indefinite	100	Under LV Option infavour of Atacama Salt Lakes SpA
Estribillo 1 al 10 (National Role 03201-9952-2)	Exploitation	Sociedad Legal MineraEstribillo Unade la Sierra La Paloma	100%	Indefinite	70	Under LV Option infavour of Atacama Salt Lakes SpA
Estribillo 1 al 10 (National Role 03201-9957-3)	Exploitation	Sociedad Legal MineraEstribillo Unade la Sierra La Paloma	100%	Indefinite	100	Under LV Option infavour of Atacama Salt Lakes SpA
Rigurozo 1 al 12 (National Role 03201-9960-3)	Exploitation	Sociedad Legal Minera Rigurozo Una de la Sierra La Paloma	100%	Indefinite	96	Under LV Option infavour of Atacama Salt Lakes SpA

Riguroso 1 al 12 (National Role 03201-9963-8)	Exploitation	Sociedad Legal Minera Riguroso Una de la Sierra La Paloma	100%	Indefinite	96	Under LV Option infavour of Atacama Salt Lakes SpA
Riguroso 1 al 12 (National Role 03201-9966-2)	Exploitation	Sociedad Legal Minera Riguroso Una de la Sierra La Paloma	100%	Indefinite	96	Under LV Option infavour of Atacama Salt Lakes SpA
Esquinazo 1 al 9 (National Role 03201-9959-K)	Exploitation	Sociedad Legal Minera Esquinazo Una de la Sierra La Paloma	100%	Indefinite	81	Under LV Option infavour of Atacama Salt Lakes SpA
Esquinazo 1 al 9 (National Role 03201-9954-9)	Exploitation	Sociedad Legal Minera Esquinazo Una de la SierraLa Paloma	100%	Indefinite	90	Under LV Option infavour of Atacama Salt LakesSpA
Esquinazo 1 al 9 (National Role 03201-9958-1)	Exploitation	Sociedad Legal Minera Esquinazo Una de la Sierra La Paloma	100%	Indefinite	72	Under LV Option infavour of Atacama Salt Lakes SpA

Primor 1 al 14	Exploitation	Sociedad Legal PrimorUna de la Sierra La Paloma	100%	Indefinite	98	Under LV Option infavour of Atacama Salt Lakes SpA
Bella Pinta 1 al 7	Exploitation	Sociedad Legal MineraBella Pinta Una de la Sierra La Paloma	100%	Indefinite	42	Under LV Option infavour of Atacama Salt Lakes SpA
Franchesca 1 al 10	Exploitation	Sociedad Legal Minera Franchesca Una de la	100%	Indefinite	60	Under LV Option infavour of Atacama Salt Lakes SpA

		Sierra La Paloma				

6.1.4 CleanTech Lithium Exploration Concessions

CleanTech has been granted twenty-nine (29) Exploration Claims (Pedimentos) covering an area of 4,235 hectares (**Figure 3**).

All concession acquisition costs and taxes have been fully paid and there are no claims or liens against them. CleanTech's intention is to convert all exploration concessions into exploitation concessions when they reach their exploration license expiry date. CleanTech exploration concessions details are summarized in **Table 2**.

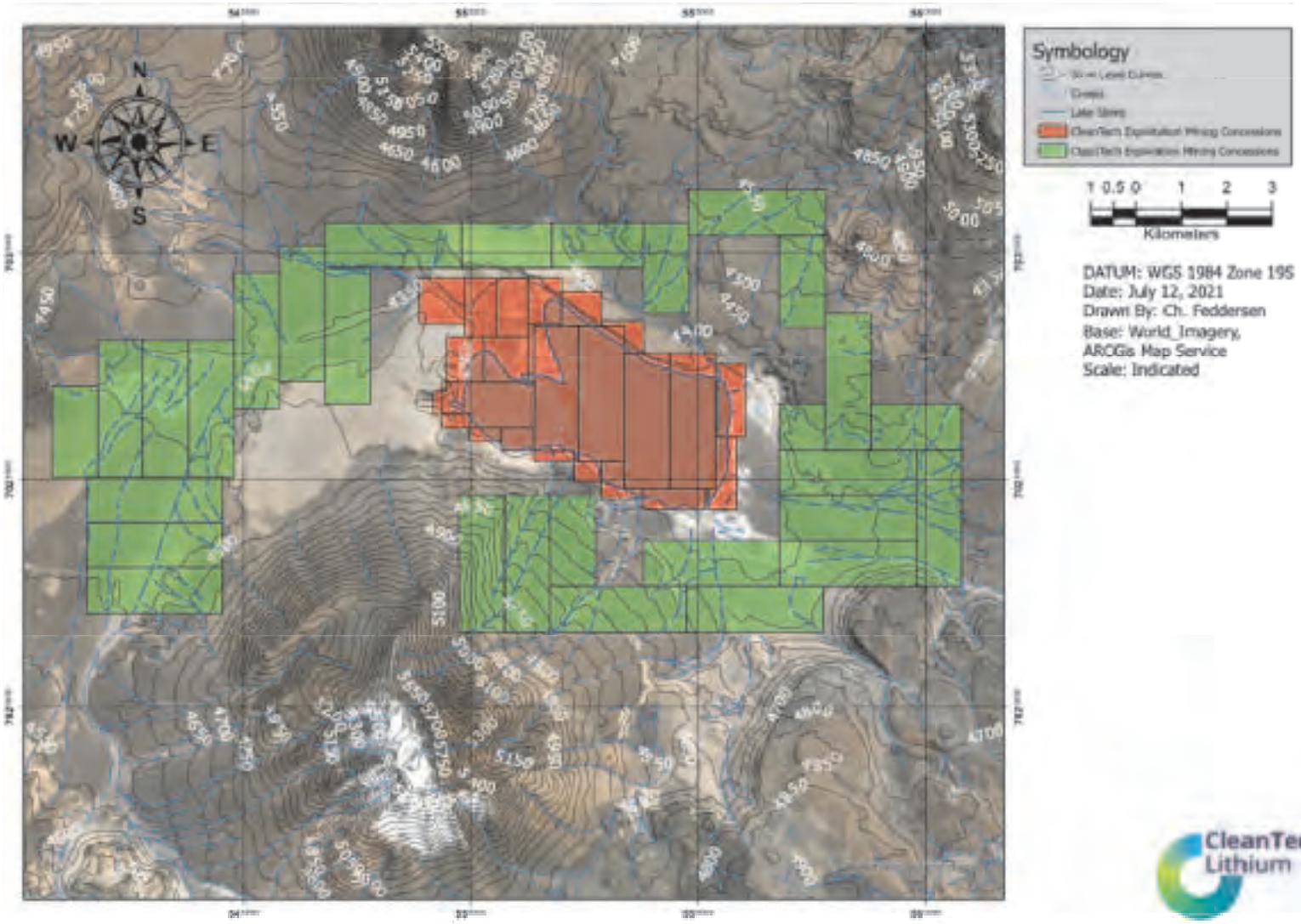


Figure 3. CleanTech Exploration Mining Concessions in Laguna Verde

Table 2. CleanTech Exploration Concessions in Laguna Verde

Licence's Name	Type of Licence/ Status	Titleholder	Interest (%)	Expiry Date	Surface (hectares)	Comments
CT Lithium 1	Exploration	Atacama Salt Lakes SpA	100%	July 30, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 2	Exploration	Atacama Salt Lakes SpA	100%	June 29, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 3	Exploration	Atacama Salt Lakes SpA	100%	August 6, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 4	Exploration	Atacama Salt Lakes SpA	100%	July 30, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 5	Exploration	Atacama Salt Lakes SpA	100%	July 15, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 6	Exploration	Atacama Salt Lakes SpA	100%	June 29, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 7	Exploration	Atacama Salt Lakes SpA	100%	August 6, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 8	Exploration	Atacama Salt Lakes SpA	100%	July 30, 2023	200	Currently registering sentence before Mine Registrar
CT Lithium 9	Exploration	Atacama Salt Lakes SpA	100%	July 15, 2023	100	Currently registering sentence before Mine Registrar
CT Lithium 10	Exploration	Atacama Salt Lakes SpA	100%	June 29, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 11	Exploration	Atacama Salt Lakes SpA	100%	August 6, 2023	300	Currently registering sentence before Mine Registrar

CT Lithium 12	Exploration	Atacama Salt Lakes SpA	100%	July 30, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 13	Exploration	Atacama Salt Lakes SpA	100%	July 15, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 14	Exploration	Atacama Salt Lakes SpA	100%	August 26, 2023	300	Currently registering sentence before Mine Registrar

CT Lithium 15	Exploration	Atacama Salt Lakes SpA	100%	August 6, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 16	Exploration	Atacama Salt Lakes SpA	100%	August 31, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 17	Exploration	Atacama Salt Lakes SpA	100%	July 9, 2023	200	Currently registering sentence before Mine Registrar
CT Lithium 18	Exploration	Atacama Salt Lakes SpA	100%	July 7, 2023	200	Currently registering sentence before Mine Registrar
CT Lithium 19	Exploration	Atacama Salt Lakes SpA	100%	August 13, 2023	200	Currently registering sentence before Mine Registrar
CT Lithium 20	Exploration	Atacama Salt Lakes SpA	100%	August 31, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 21	Exploration	Atacama Salt Lakes SpA	100%	July 9, 2023	200	Currently registering sentence before Mine Registrar
CT Lithium 22	Exploration	Atacama Salt Lakes SpA	100%	July 7, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 23	Exploration	Atacama Salt Lakes SpA	100%	August 16, 2023	200	Currently registering sentence before Mine Registrar

CT Lithium 24	Exploration	Atacama Salt Lakes SpA	100%	August 31, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 25	Exploration	Atacama Salt Lakes SpA	100%	July 9, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 26	Exploration	Atacama Salt Lakes SpA	100%	July 7, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 27	Exploration	Atacama Salt Lakes SpA	100%	August 16, 2023	300	Currently registering sentence before Mine Registrar
CT Lithium 28	Exploration	Atacama Salt Lakes SpA	100%	August 31, 2023	200	Currently registering sentence before Mine Registrar
CT Lithium 29	Exploration	Atacama Salt Lakes SpA	100%	July 9, 2023	300	Currently registering sentence before Mine Registrar

6.1.5 Local Geology

The following local geology section is taken mostly from the compiled local geologic summary from Feddersen (2021). It has been summarized by the CP further for this report. The most current sources for the local geology in the Laguna Verde area are the 1:100,000 scale Laguna Wheelwright and Paso San Francisco geological maps (**Figures 4 and 5**) (Clavero et al., 2012), and the geological chapter of the Cerro Casale Mine Optimization Environmental Impact Study (SRK, 2011).

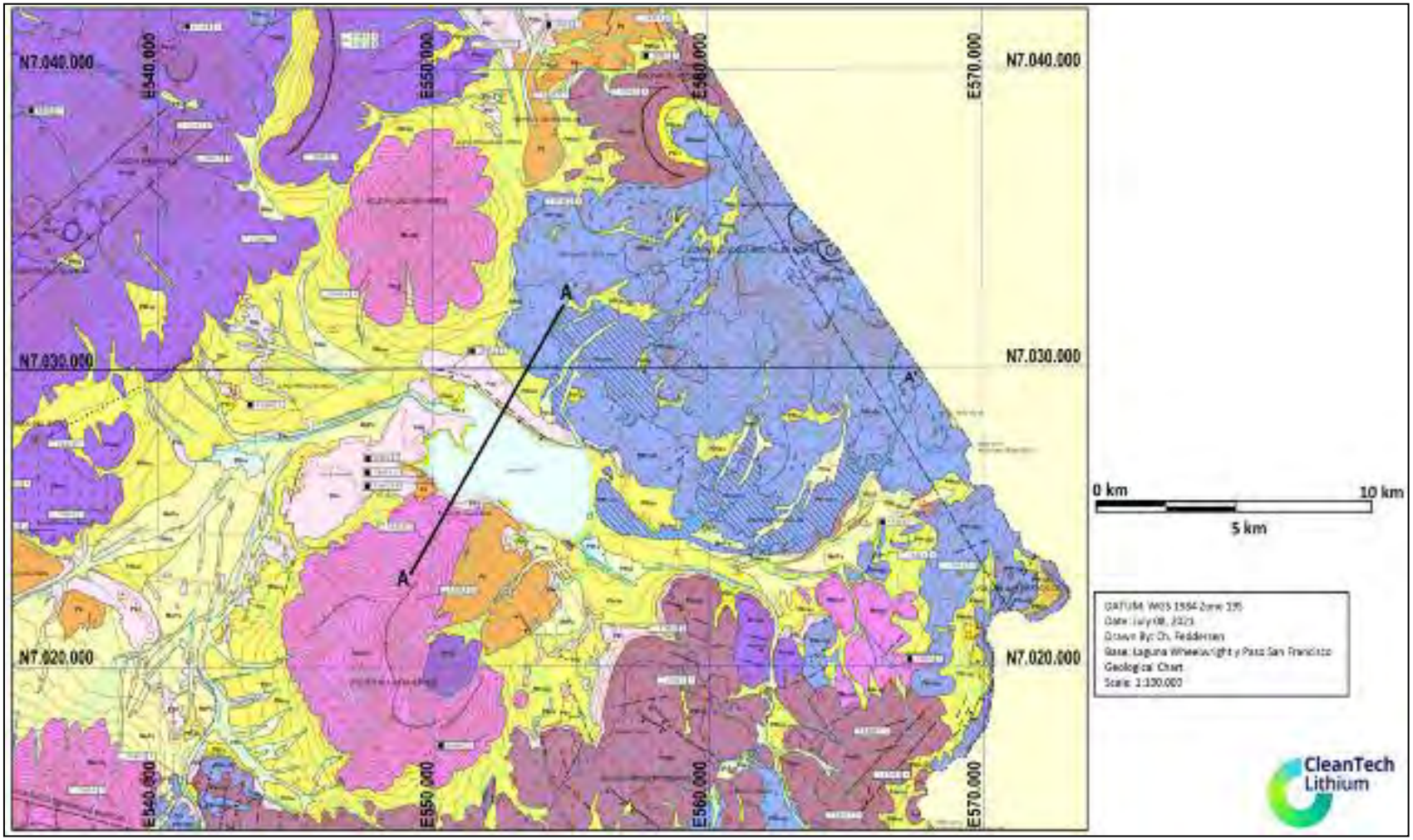


Figure 4. Local Geology for the Laguna Verde Area

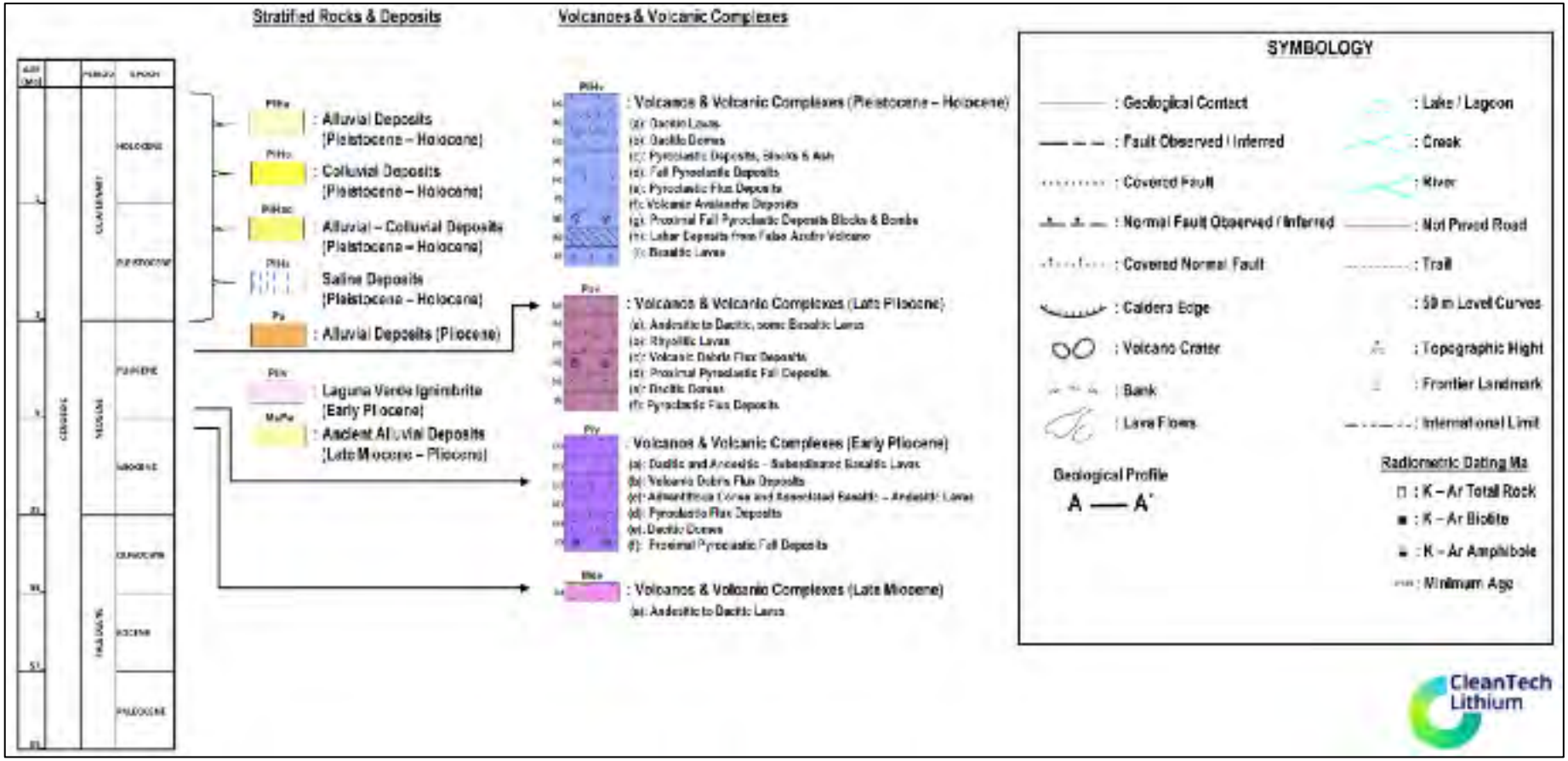


Figure 5. Local Geology Legend and Symbology

The geological units of Laguna Verde, from the oldest to youngest are:

Volcanoes and Volcanic Complexes of Late Miocene (Msv)

Includes volcanic units of the Late Miocene epoch that have a wide distribution in the area and are constituted by lavas, domes and stratovolcano complexes. The main stratovolcanoes in the area include Laguna Verde, Mulas Muertas and Cerro de Barrancas.

Ancient Alluvial Deposits from Late Miocene – Pliocene (MsPa)

Alluvial and minor colluvial deposits consisting of polymictic gravels, and sands and silts with poor stratification these are mostly distributed on the occidental edge of the Claudio Gay Cordillera. They mostly overlie the San Andres Ignimbrite (9 – 7 My).

Volcanoes and Volcanic Complexes from Early Pliocene (Piv)

A group of volcanic deposits that includes the Ermitaño volcano. The volcanic products include: dacitic, andesitic, and basaltic lavas, volcanic debris deposits, pyroclastic deposits, and dacitic domes.

Laguna Verde Ignimbrite from Early Pliocene (Pilv)

An extensive rhyolitic pyroclastic deposit with its main outcrops located in the Laguna Verde plains. In this area, it has a maximum thickness of at least 35 m, thinning towards the west. In some areas it covers alluvial deposits from the Late Miocene – Pliocene (MsPa). Four different tuffs units are included in the Laguna Verde Ignimbrite.

Alluvial Deposits Pliocene (Pa)

Consists of polymictic gravels up to 8 m thick that overlie the Laguna Verde Ignimbrite (Pilv).

Volcanoes and Volcanic Complexes from Late Pliocene (Psv)

The Late Pliocene volcanism is represented by a group of volcanic centers, including the Mesetas Negras volcano in the area. The volcanic products include: andesitic to dacitic, rhyolitic, and basaltic lavas, volcanic debris deposits, pyroclastic deposits, and dacitic domes.

Volcanoes and Volcanic Complexes from Pleistocene – Holocene (PlHv)

Consists of a group of major volcanic complexes, including the Falso Azufre volcanic complex and the San Francisco volcano in the area. The volcanic products of this age include: dacitic lavas and domes, pyroclastic deposits, volcanic avalanche deposits, lahar deposits, and basaltic lavas.

Saline Deposits from Pleistocene – Holocene (PlHs)

Salt deposits consisting mainly by chlorates and in minor proportion, sulfates and borates. The deposits are thin, easily broken crusts located on the east shore of Laguna Verde.

Alluvial Colluvial Deposits from Pleistocene – Holocene (PlHac)

Undifferentiated alluvial and colluvial, consisting of unconsolidated, poorly stratified deposits of silt, sand and gravels.

Colluvial Deposits from Pleistocene – Holocene (PlHc)

Generally consisting of poorly sorted gravels in valleys and on hillsides.

Alluvial Deposits from Pleistocene – Holocene (PlHa)

Unconsolidated gravels, sands and silt deposits.

6.1.5.1 General Stratigraphy in the Concession Area

Figure 6 shows a geological profile A–A' that was constructed by Feddersen (2021) using surface geology and a gravimetry study documented by SRK (2011); location of the section line is shown on **Figure 4**. The profile shows the general stratigraphy in the concession area, inside the structural graben formed by the normal faulting in Laguna Verde. It is characterized by a shallow (< 50 m) band of tuffs of the Laguna Verde Ignimbrite (Pilv), overlying a much thicker (>150 m) sequence of sedimentary deposits composed by coarse sands and gravels of Late Miocene – Pliocene age (MsPa). Beneath these deposits are presumably Tertiary volcano sedimentary deposits and Tertiary volcanic basement.

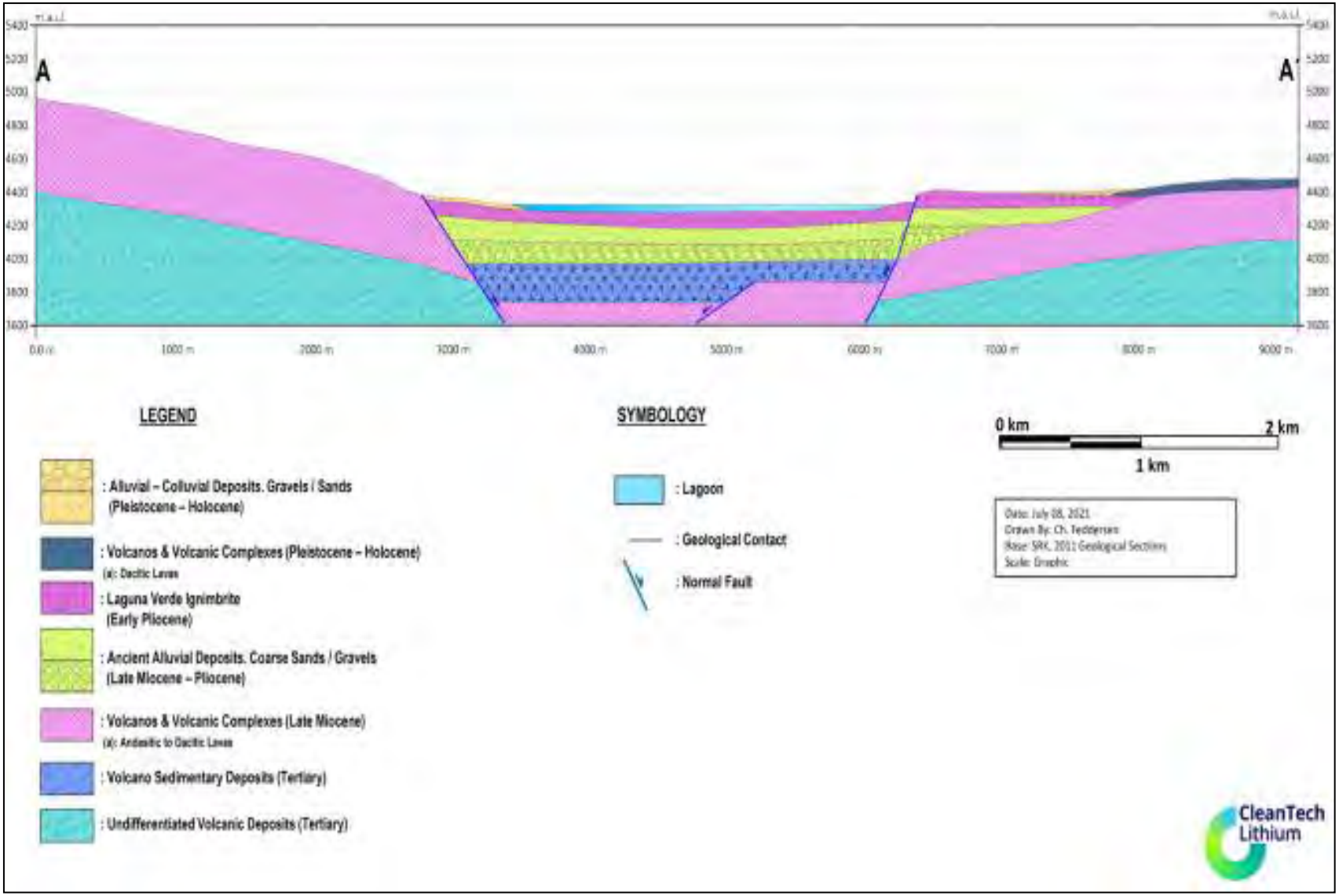


Figure 6. Laguna Verde Geological Profile A – A´

6.1.5.2 Structural Geology

The major structural feature observed in the area is a series of normal faults with NW – SE orientation, located in the edges of the lake, that forms a depression or graben. Because of recent volcanic deposits, much of the presumed faulting is covered and is assumed. Second order faults and fractures are manifested on surface as small fault escarpments or as photo-lineaments that van be observed in lavas, domes or emission centers.

6.1.6 Exploration

6.1.6.1 Previous Studies

The exploration history in the concessions area starts with freshwater exploration in the 1990's by the French Institute de Recherche pour le Development. In 2010, Hiner published an NI43-101 Technical Report on Laguna Verde for Pan American Lithium Corp., were 512,960 metric tonnes of lithium carbonate equivalent and 4,223,123 metric tonnes of potassium chloride were reported as inferred resources for the surface lake, with an evident over-estimated depth to the bottom of the lake which resulted in an accordingly over-estimated resource estimation.

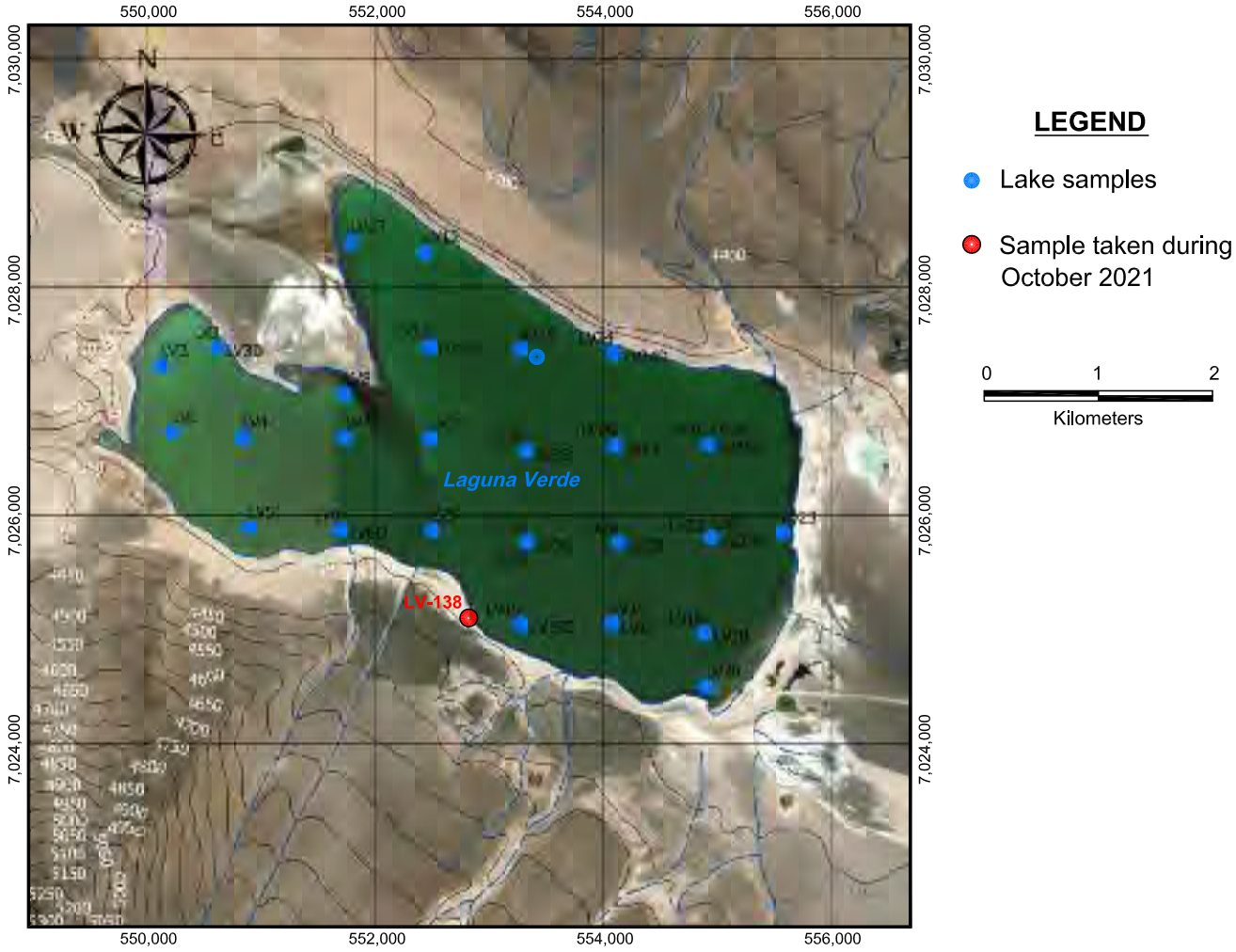
In 2011, SRK Consulting conducted a hydrogeological study of Piedra Pomez wellfield, 30 km west from Laguna Verde that included a geophysical survey (gravimetry) of the Laguna Verde basin.

In the years 2017 to 2018 Wealth Minerals Ltd. undertook lithium exploration works on Laguna Verde, completing lake geochemical sampling, lake bathymetry and a geophysical survey campaign (TEM) with encouraging results according to their press releases. An exploration drillhole campaign was planned, but no further announcements were made on the completion of a drill hole or any other details to indicate the program was undertaken or completed. Wealth Minerals Ltd. cancelled the Option Agreement it had over the Laguna Verde prospect in 2019 to focus on other company assets according to their releases.

6.1.6.2 Lake Brine Sampling Campaign in Laguna Verde

Lake brine sampling was conducted in Laguna Verde by CleanTech during the period from June 2 to June 4, 2021 and documented in Feddersen (2021). This sampling program included the collection of brine lake water samples on a pre-established 800 m grid. Access to sample points was achieved using a fiberglass boat with an outboard engine. The samples were obtained mainly at the surface of the lake, but additional samples were also obtained from deeper parts of the lake using a bailer. Duplicate samples were obtained at seven (07) positions. Locations for the lake samples are shown on **Figure 7**. Locations, sample depths, and laboratory results are given in **Table 3**.

Lithium concentrations for the samples ranged from 235 to 259.1 mg/l; average lithium concentration for the samples obtained during the June, 2021 lake sampling event was 246 mg/L.



Modified from Feddersen (2021)

Figure 7. Locations for Laguna Verde Lake Samples

Table 3. Summary of Laboratory Results for Laguna Verde Lake Samples

ORIGINAL SAMPLE	LABORATORY SAMPLE	LOCATION UTM WGS84 19J		DEPTH	Li	K	B	Mg	TDS
		EAST	NORTH	m	mg/L	mg/L	mg/L	mg/L	mg/L
LV1	1	550,208.94	7,026,724.89	0.5	241.9	4750	462.6	2274	158053
LV2	2	550,114.57	7,027,309.25	0.5	259.1	5060	496.5	2441	175858
LV3	3	550,601.69	7,027,466.33	0.5	249.4	5110	477.2	2475	176288
LV4	5	550,825.00	7,026,680.01	0.5	245.2	4980	473.3	2403	147888
LV5	6	550,883.00	7,025,891.72	0.5	253.3	5007	486.3	2413	143873
LV6	8	551,684.84	7,025,873.86	0.5	245.9	5061	475.9	2445	176793
LV7	10	551,725.23	7,026,681.32	0.5	250.2	5092	480.3	2450	156958
LV8	11	551,724.38	7,027,062.76	0.5	250.6	5195	482.6	2504	168533
LV9	12	552,490.11	7,025,868.73	0.5	247.9	4878	477.6	2360	168623
LV10	13	552,469.96	7,026,671.68	0.5	247.3	4938	476.9	2371	157938
LV11	14	552,463.93	7,027,477.17	0.5	239.9	5066	462.1	2454	168323
LV12	17	552,423.95	7,028,299.97	0.5	240.4	4891	459.2	2364	162828
LV13	18	551,769.66	7,028,390.93	0.5	248.8	4859	477.3	2350	179943
LV14	19	553,270.44	7,027,452.48	0.5	240.8	4858	464.2	2344	158193
LV15	20	553,266.61	7,025,047.28	0.5	250.3	4831	480.6	2334	165548
LV16	22	554,072.19	7,025,049.57	5.5	247.4	4873	473.2	2359	168565
LV17	23	554,072.19	7,025,049.57	0.5	243.2	4852	468.4	2337	170185
LV18	25	554,877.27	7,024,967.08	4.5	247.3	4839	469.4	2332	172540
LV19	26	554,877.27	7,024,967.08	0.5	252.3	4881	482.1	2359	166445
LV20	27	554,894.44	7,024,500.21	0.5	250.2	4895	479.1	2350	192330
LV21	28	554,935.00	7,025,803.77	0.5	245.3	4797	466.9	2323	167195
LV22	31	554,935.00	7,025,803.77	5.5	245.8	4870	468.5	2332	178100
LV23	32	555,560.51	7,025,846.83	0.5	244.7	4943	468.5	2388	176210
LV24	33	554,916.72	7,026,616.27	5.5	247.1	4882	467.2	2337	161900
LV25	34	554,916.72	7,026,616.27	0.5	242.3	4685	462	2243	171615
LV26	36	554,099.84	7,026,610.70	5.5	249.8	4848	477.9	2334	175365
LV27	37	554,099.84	7,026,610.70	0.5	244.3	4806	464.3	2312	163545
LV28	38	554,128.84	7,025,760.56	5.5	248.2	4545	469.6	2164	166555
LV29	39	554,128.84	7,025,760.56	0.5	236.4	4646	448.1	2242	168555
LV30	40	553,324.50	7,025,763.80	5.0	253.7	4964	480.7	2381	168575
LV31	42	553,324.50	7,025,763.80	0.5	232.7	4666	441.7	2230	163386
LV32	44	553,316.72	7,026,562.11	4.5	239.5	4524	454	2176	166406
LV33	45	553,316.72	7,026,562.11	0.5	235	4693	448.5	2256	167900
LV34	46	554,082.74	7,027,422.14	0.5	240.8	4815	455.8	2310	164461

6.1.6.3 Bathymetric Study

Servicios Geológicos Geodatos SAIC (Geodatos, 2021a) completed a bathymetric survey of Laguna Verde in two stages during April 2021 and May 2021, to calculate the total volume of brine in the lake. Two grids were used to measure depths to the bottom of the lake, 200 m and 400 m spacing, as can be seen on **Figure 8**.

A Thales Navigation differential GPS system was used to locate sample grids, and then an eco-probe was used to calculate depth to bottom of the lake. Depth was corrected for water density and temperature. CleanTech provided Geodatos values of 1.14 g/cm^3 density at 0°C for the correction factors based on previous sample results. Corrected lake bottom contours are shown on **Figure 9**. Corrected depths to lake bottom ranged from 0.37 to 7.18 m during the survey; average depth was calculated as 4.03 m. The Oasis Montaj software was used by Geodatos to calculate total brine volume in the lake. Boundaries of total surface corresponds to the red color contour line in **Figure 8**. Calculated area was 15,877,500 m^2, and total volume calculated was 62,243,961 m^3.

Results from Geodatos volume calculation was checked by CleanTech, and the CP. Using the bathymetry results, Feddersen (2021) built a 3D model of the water brine volume in the lake. This 3D model consisted of a digitized lake surface from World Imagery ArcGIS Map Service. Then GEMS software was used to build the 3D model. **Figure 10** shows the resulting GEMS model and new lake model. Adjustments were made to the Geodatos lake volume calculation based on revised aerial extent of the lake as determined by the satellite images. The resulting lake volume was calculated as 59,490,027 m^3.

Both models were similar and proved correct in the bottom lake interpolation, but a difference exists in the shore polygon calculation. In the case of Geodatos, the lake shore polygon includes some land areas that, based on the satellite images, shouldn't have be included (**Figures 8 and 9**). The GEMS model currently includes the adjusted lake boundary (**Figure 10**). Feddersen (2021) ultimately used the adjusted GEMS lake volume of 59,490,027 m^3 for surface brine resource estimation.

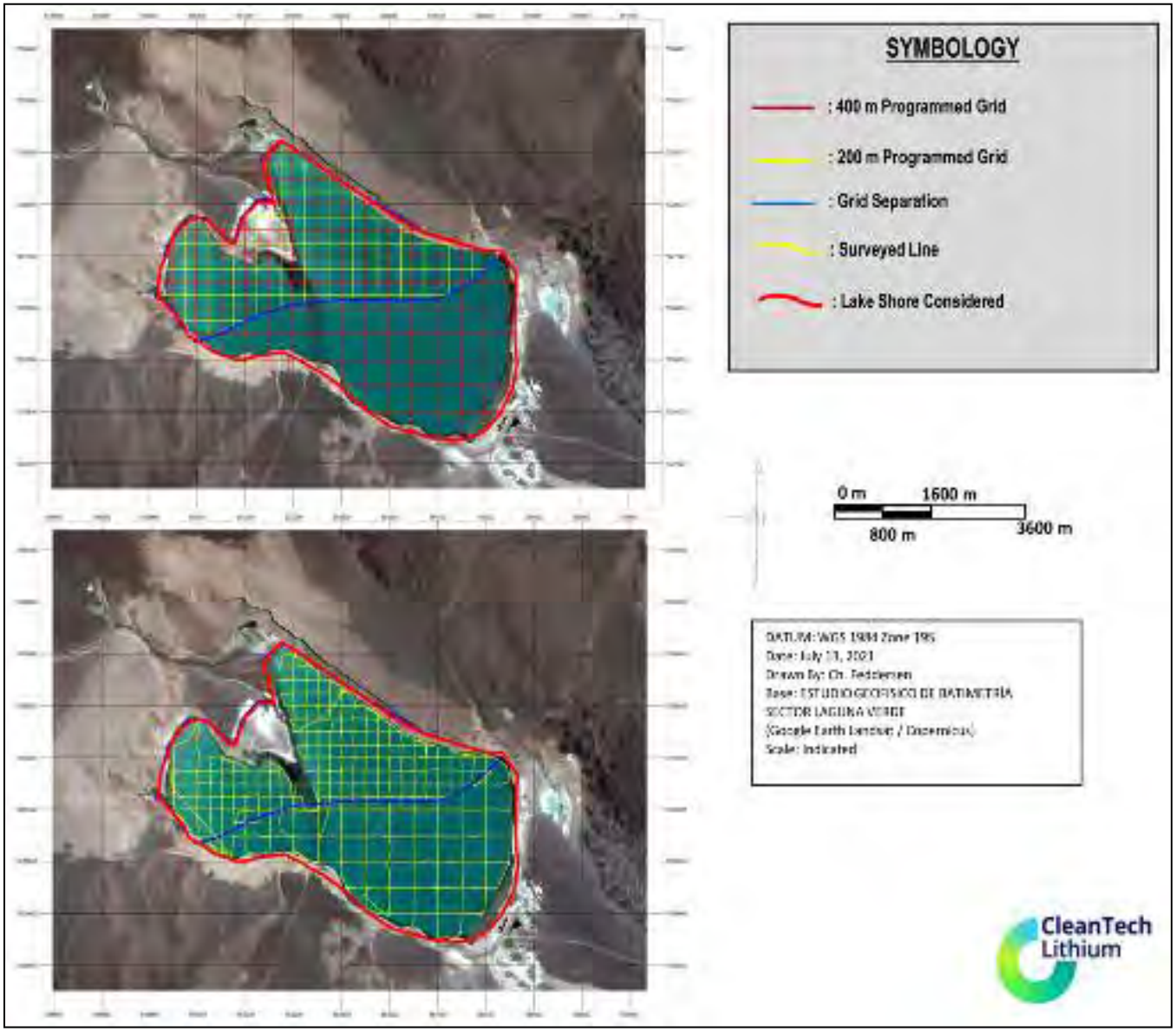


Figure 8. Programmed and Surveyed Laguna Verde Bathymetry

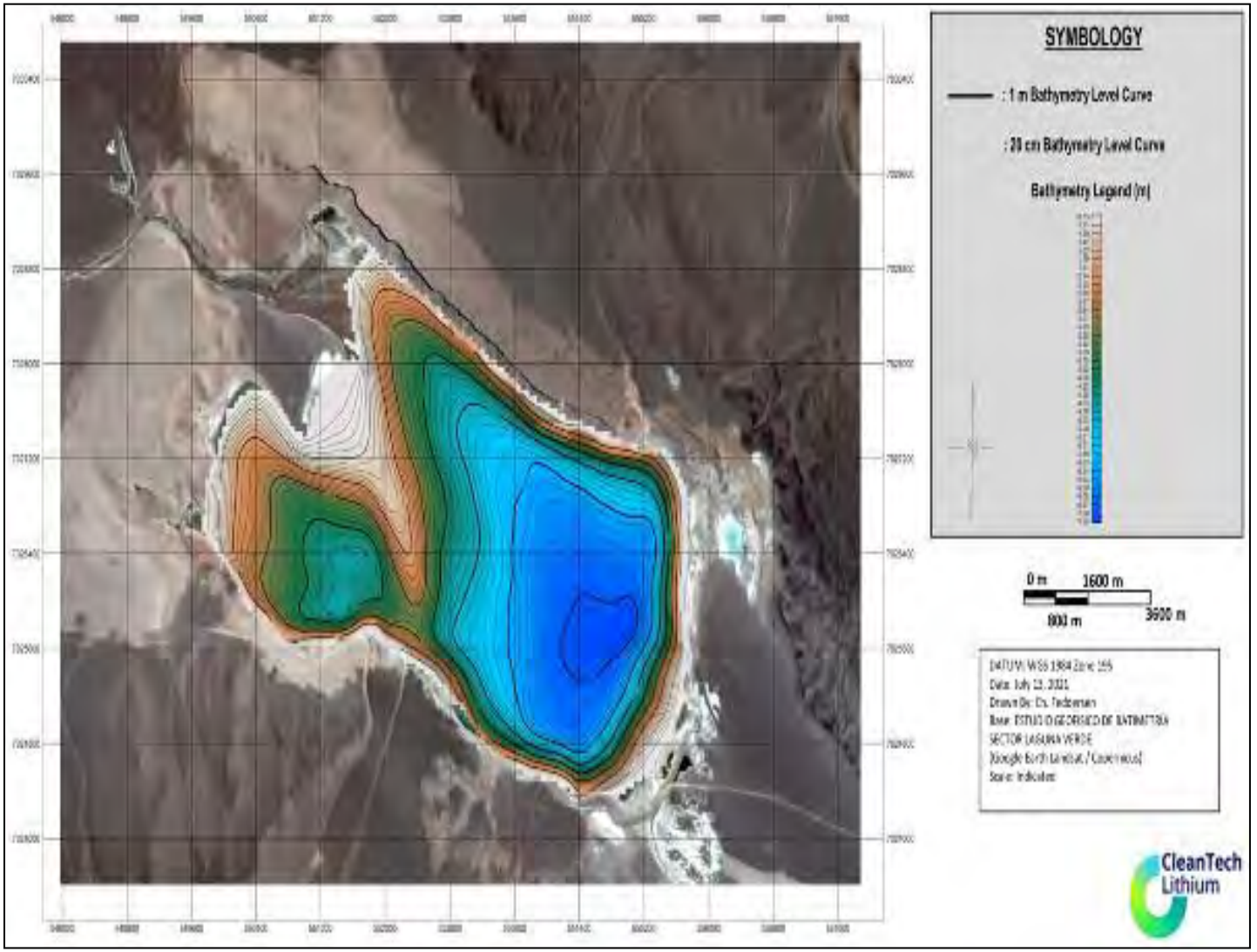


Figure 9. Bathymetric Contours for the Laguna Verde Lake Bottom

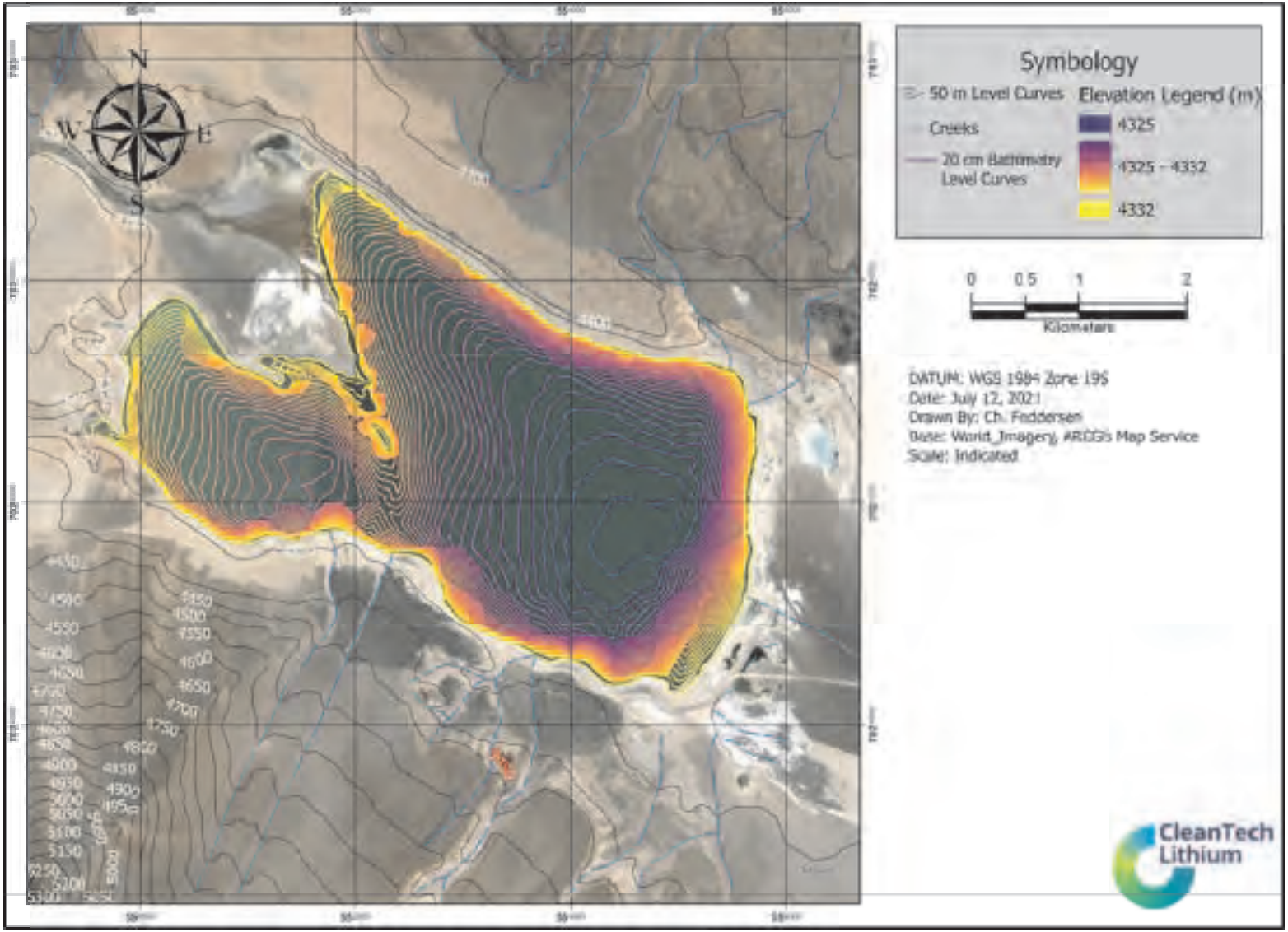


Figure 10. GEMS Model-Adjusted Bathymetry Contours and Lake Boundary

6.1.6.4 TEM Geophysical Survey

CleanTech Lithium contracted Geodatos to conduct a Transient ElectroMagnetic (TEM) geophysical survey for the Laguna Verde area. Objective of this survey was to determine the electrical properties of the sub-surface sediments, in order provide information about the stratigraphy and water quality of the hydrogeologic units in the area. Geodatos personnel conducted this fieldwork between April to May, 2021 (Geodatos 2021b). Locations for the geophysical stations and lines are shown on **Figure 11**.

Figures 12 and 13 show resistivity values for each profile using the layered model inversion system of the TEM stations in a colored grid representation (Geodatos, 2021b). In the resistivity sections, red to magenta tones indicate a decrease in resistivity (increase in conductivity), which correlates with increasingly concentrated brine and/or fine sediments (clays). Blue tones indicate an increase in resistivity, which correlate with unsaturated sediments and/or poorly fractured hard rock, while orange, yellow and green tones generally result from variability in hydrogeologic units with respect to chemistry of the groundwater, degree of fracturing, and/or lithology.

Profiles L11, L3 and L7 surround the lake and show a thick and consistent, low resistivity layer with lower resistivities at depth (**Figure 12**). These features indicate that the low resistivity layer is a continuity from the surface lake to depth sediments. Profiles L4, L5, L6, L8, L9 & L10 (**Figure 13**) show the interpreted sediment hosted brines appear to be limited only to the lake and the areas near the lake.

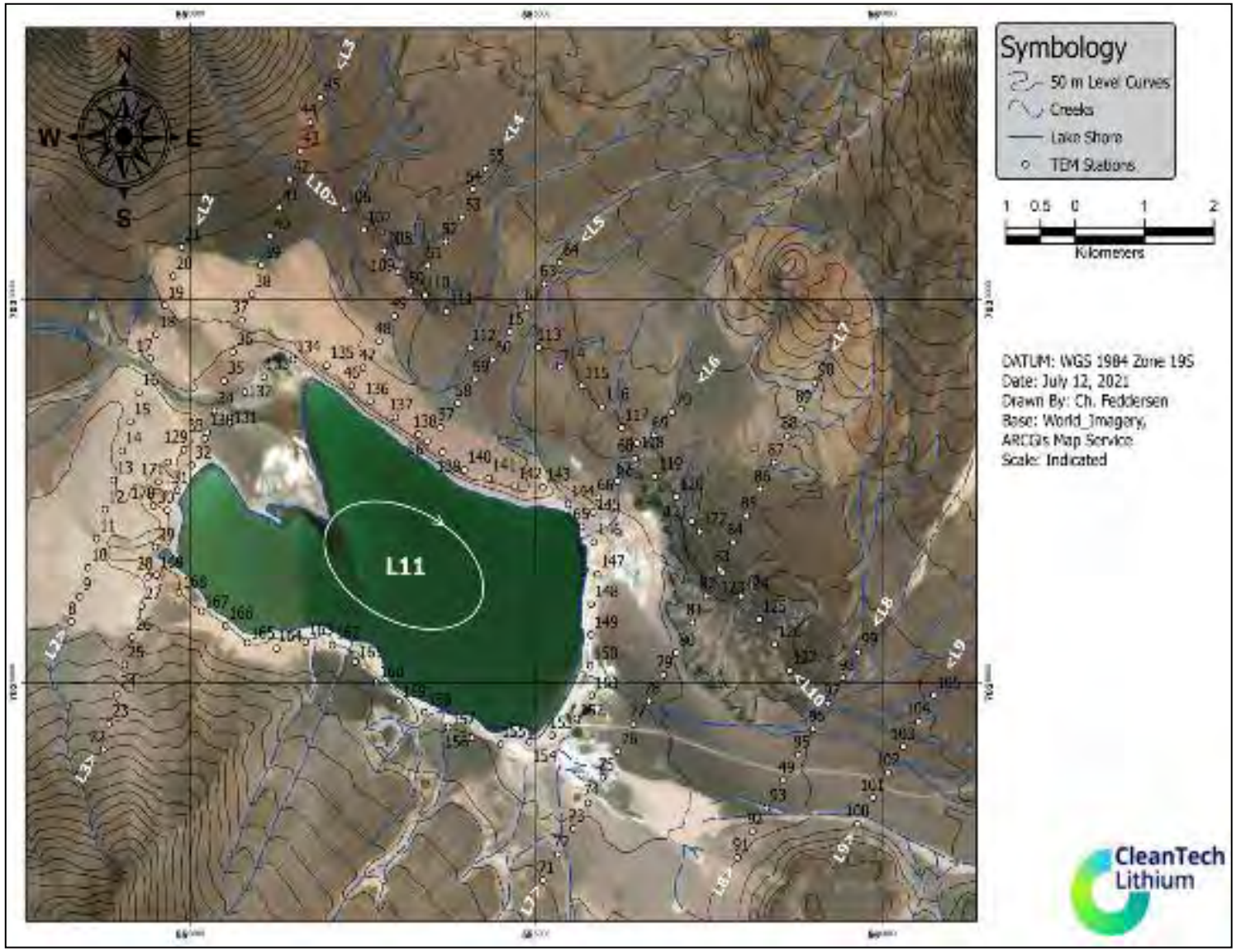


Figure 11. TEM Stations and Lines

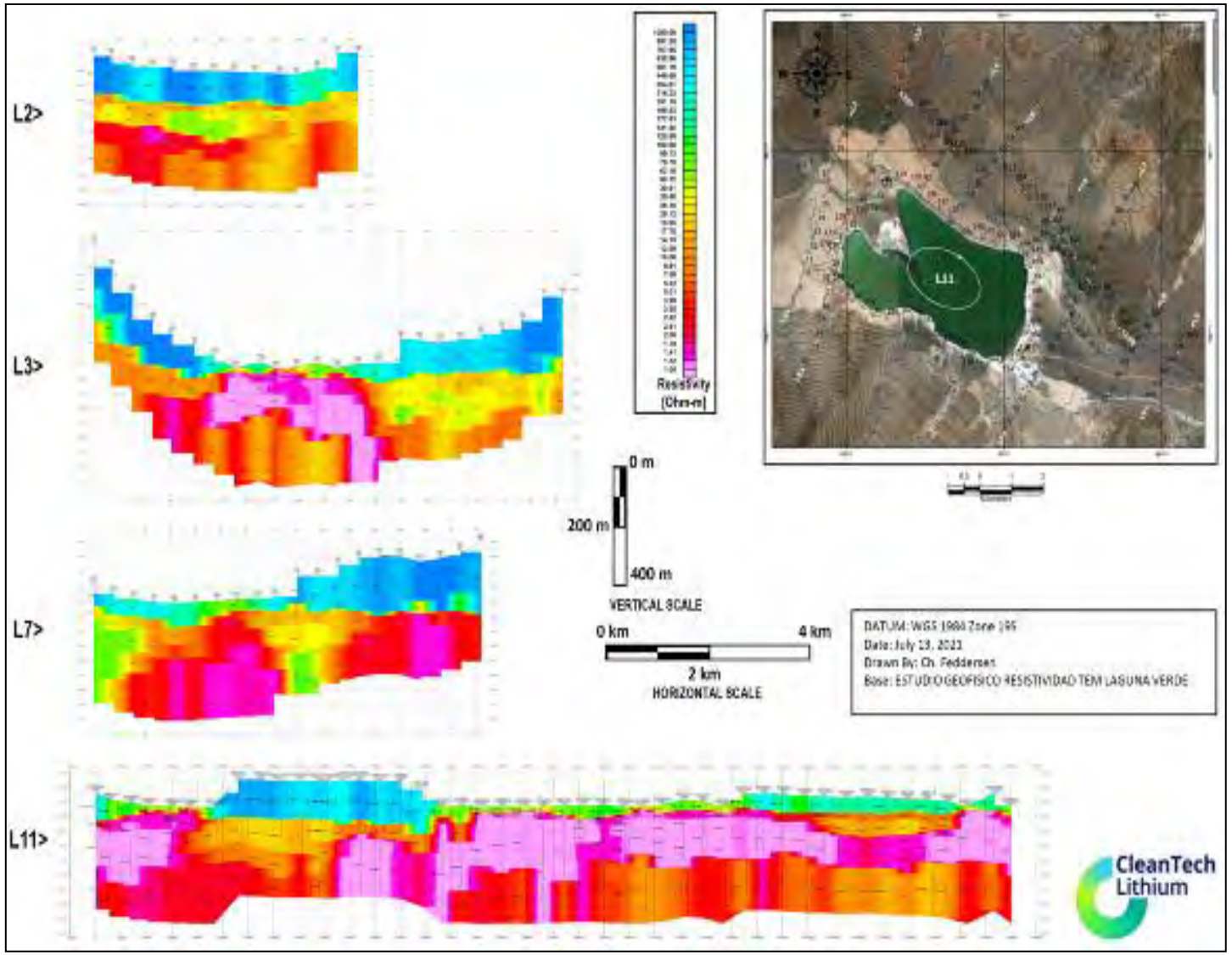


Figure 12. TEM Profiles for Lines L2, L3, L7 and L11

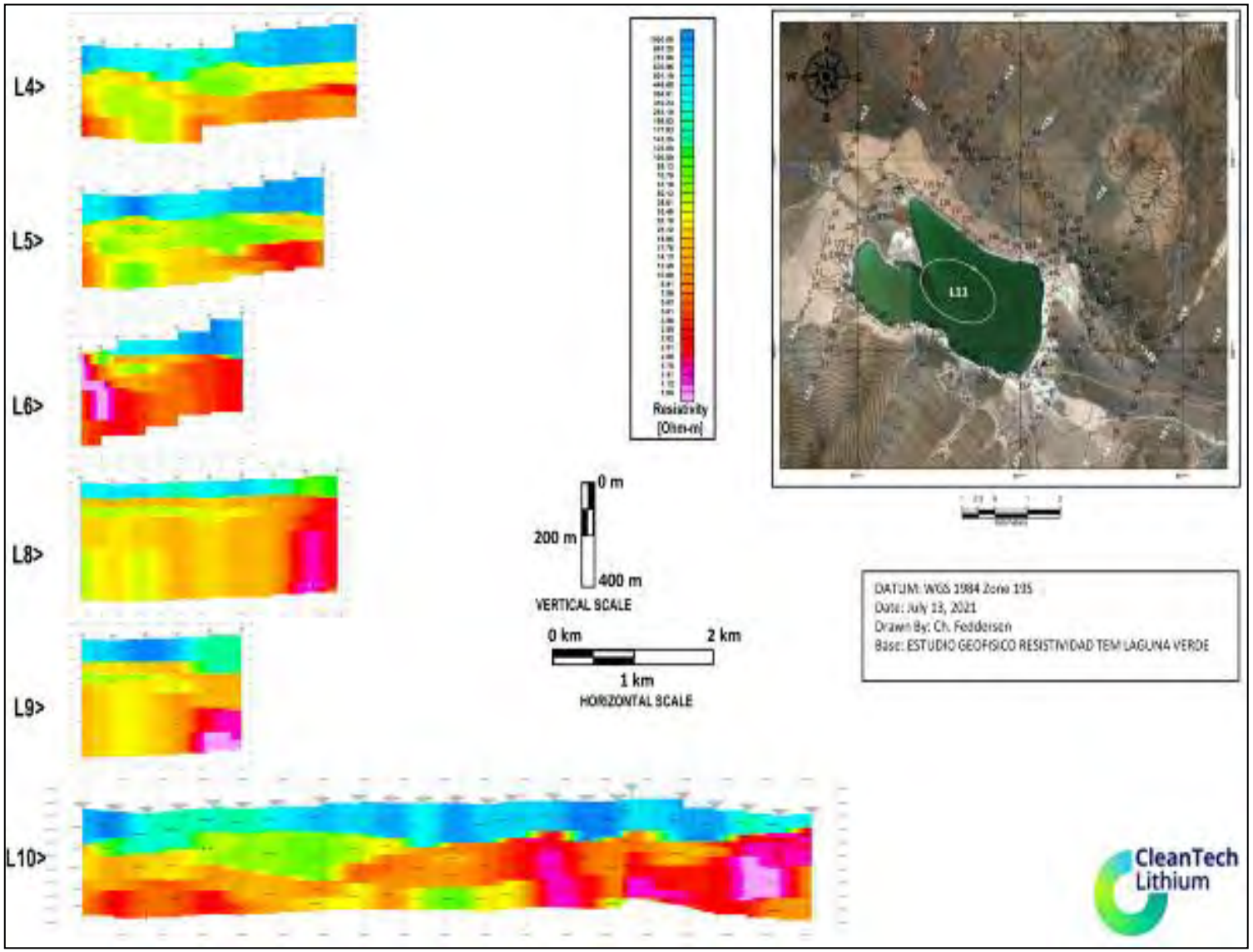


Figure 13. TEM Profiles for Lines L4, L5, L6, L8, L9 and L10

Based on the resistivity sections, a correlation was made between resistivity ranges, with layers of different lithological characteristics (Geodatos, 2021b). Based on the resistivity values of the TEM surveys, geo-electrical units were interpreted as follows:

1. **Laguna Verde Ignimbrite:** resistivities between 210 Ohm-m to 1,097 Ohm-m. Appears at land surface where the profiles intercept this unit
2. **Alluvial and Colluvial deposits:** resistivities between 9 Ohm-m to 900 Ohm-m. Appears at land surface where the profiles intercept these units
3. **Volcanic Deposits:** resistivities between 76 Ohm-m to 2,490 Ohm-m. Appears in the profiles that intercept these deposits, mainly in the edges of the surveyed area
4. **Sedimentary Deposits Saturated in Fresh Water:** resistivities between 3 Ohm-m to 110 Ohm-m. Appear at depth, mainly distant from the lake edge
5. **Units Saturated with Brine:** resistivities between 1 Ohm-m to 3 Ohm-m appear directly below the lake
6. **Sedimentary Deposits Saturated in Highly Concentrated Brine:** Constitutes the main exploration target with resistivities values below 1 Ohm-m, and likely in sedimentary units

Based on the results from the TEM survey, a 3D model was built for the conductive geo-electric unit below 2 Ohm-m, associated with the Laguna Verde lake (**Figure 14**). The maximum resistivity value in the model is 2.63 Ohm-m and the minimum resistivity value is 0.4 Ohm-m.

In this model, there is maximum resistivity value of 2.24 Ohm-m, minimum resistivity value of 0.4 Ohm-m and weighted resistivity average value of the inside station's projected legs of 0.76 Ohm-m. Ultimately, this model used by Feddersen (2021) in support of development of the initial inferred lithium resource for the sub-surface brines.

6.2 FRANCISCO BASIN PROJECT

The Francisco Basin Project is located 110 km south–southeast of the regional center of Copiapó, with access via a regional highway and established dirt roads which run along the edge of the salar, and is shown on **Figure 15**. The Project is partially located in the Nevado Tres Cruces national park, which was created in 1994 to conserve the desert steppe flora and fauna of the Andean salars.

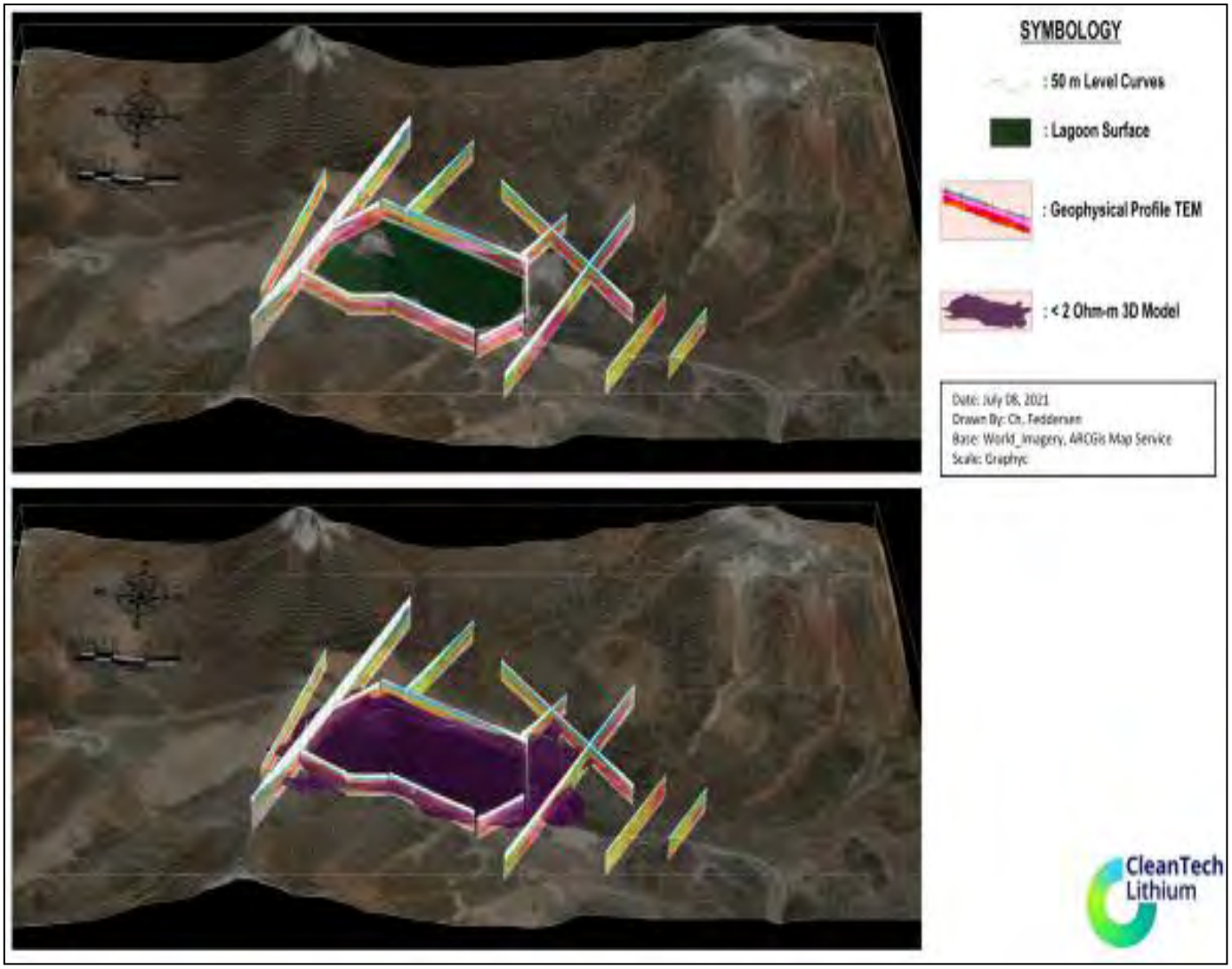
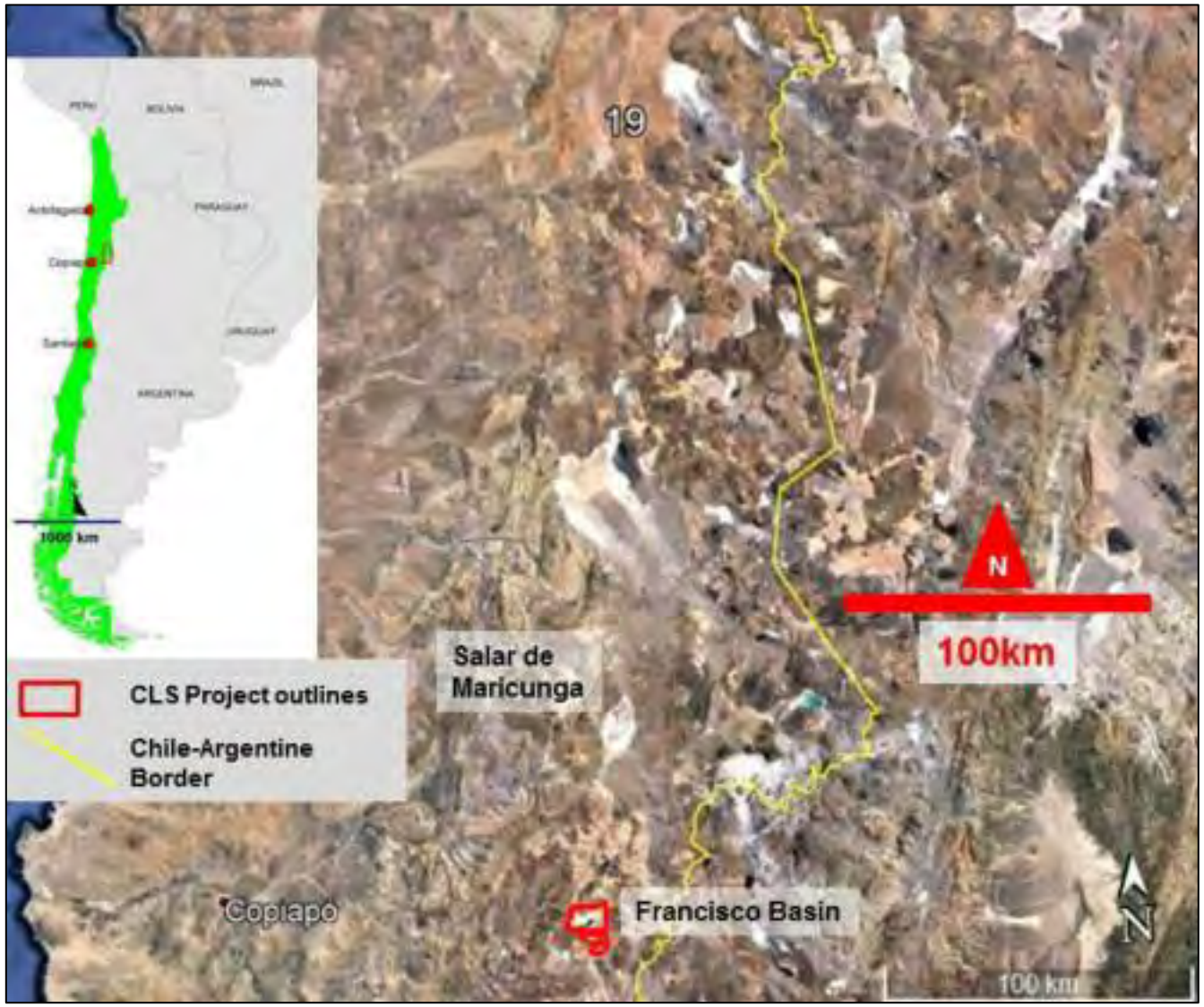


Figure 14. 3D Model for the Units with Resistivity Values Below 2 Ohm-m



Source: Kinnell (2018)

Figure 15. Laguna Negro Francisco General Location Map

6.2.1 Infrastructure Near Negro Francisco Project

Good quality road exists from Copiapó until approximately the Maricunga Carabinero station. At that point, the road to the Francisco Basin Project is unpaved with 4WD being needed when the roads are wet. The main infrastructure in the area is CONAF shelter located close to the western shore of the lake. Also, the Maricunga Mine camp and facilities are located approximately 9 km in southwestern direction from Laguna Negro Francisco.

6.2.2 Lithium Mining Concessions in Francisco Basin

The Francisco Basin mining concessions are held by CleanTech's wholly owned subsidiary Laguna Negro Francisco SpA (Laguna Negro) and completely cover the salar lake, the adjacent freshwater lake, and a large part of the alluvial plain to the south of the lake, covering a total of 12,900 hectares (129 km^2). Mining concessions are shown on **Figure 16**. A summary of the concessions is given in **Table 4**. Of the 129 km^2, approximately 60 km^2 fall within the boundaries of the Nevado Tres Cruces National Park. This area is effectively excluded from the Project area and any exploration or development activities. The remaining 69 km^2 of concessions are located outside the park and form the Project area.

CleanTech Lithium Exploration Concessions

The active Project area consists of a total of 69 km^2, and these concessions are currently divided into exploration concessions (shown as green on **Figure 16**) and exploitation concessions (shown as blue). The area of exploration concessions is expected to be converted into exploitation concessions in early 2022.

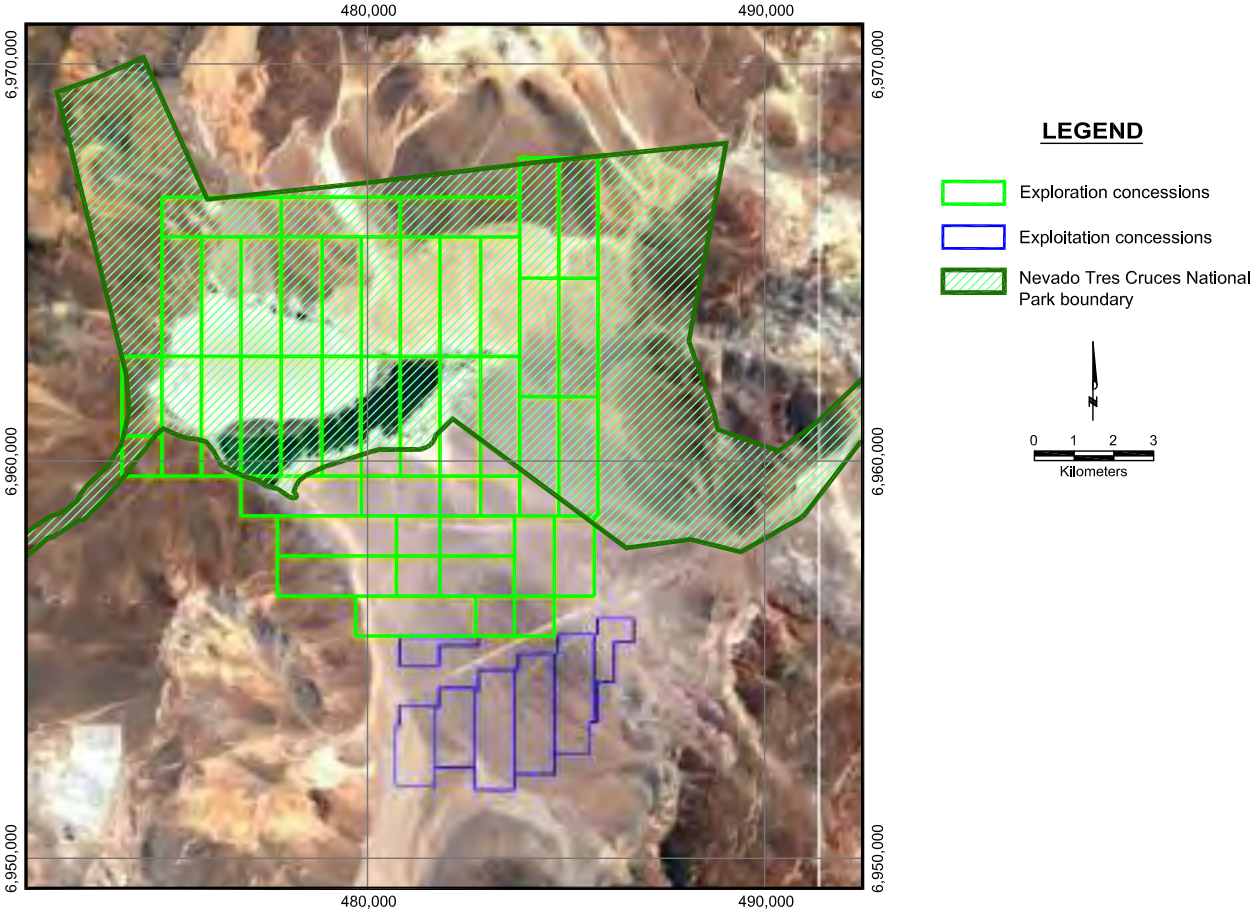


Figure 16. Francisco Basin Exploration and Exploitation Concession Boundaries

Table 4. Exploration and Exploitation Concessions for the Francisco Basin

Francisco Basin

Concession's Name	Type of concession	Titleholder	Interest (%)	Expiry Date	Surface (hectares)	Comments
SCL 1A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 2A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 3A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 4A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 5A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 6A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 7A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 8A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 9A	Exploration	Laguna Negro Francisco SpA	100%	April 20, 2022	300	Shall be converted into exploitation before expiration
SCL 10A	Exploration	Laguna Negro Francisco SpA	100%	April 20, 2022	300	Shall be converted into exploitation before expiration

SCL 11A	Exploration	Laguna Negro Francisco SpA	100%	April 24, 2022	300	Shall be converted into exploitation before expiration
SCL 12A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 13A, 1 AL 200	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	200	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 14A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 15A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 16A	Exploration	Laguna Negro Francisco SpA	100%	April 13, 2022	300	Shall be converted into exploitation before expiration
SCL 17A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 18A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 19A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 20A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022
SCL 21A, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Survey request shall be lodged between July 19, 2022, and August 8, 2022

SCL 22A	Exploration	Laguna Negro Francisco SpA	100%	April 20, 2022	300	Shall be converted into exploitation before expiration
SCL 23A	Exploration	Laguna Negro Francisco SpA	100%	May 8, 2022	300	Shall be converted into exploitation before expiration
SCL 24A	Exploration	Laguna Negro Francisco SpA	100%	April 24, 2022	300	Shall be converted into exploitation before expiration
SCL 25A	Exploration	Laguna Negro Francisco SpA	100%	April 13, 2022	300	Shall be converted into exploitation before expiration
SCL 26A	Exploration	Laguna Negro Francisco SpA	100%	April 20, 2022	300	Shall be converted into exploitation before expiration
SCL 27A	Exploration	Laguna Negro Francisco SpA	100%	April 20, 2022	300	Shall be converted into exploitation before expiration
SCL 28A	Exploration	Laguna Negro Francisco SpA	100%	April 24, 2022	300	Shall be converted into exploitation before expiration
SCL 29A	Exploration	Laguna Negro Francisco SpA	100%	April 14, 2022	300	Shall be converted into exploitation before expiration
SCL 30A	Exploration	Laguna Negro Francisco SpA	100%	April 20, 2022	300	Shall be converted into exploitation before expiration
SCL 31A	Exploration	Laguna Negro Francisco SpA	100%	April 20, 2022	300	Shall be converted into exploitation before expiration
SCL 32A	Exploration	Laguna Negro Francisco SpA	100%	April 24, 2022	300	Shall be converted into exploitation before expiration

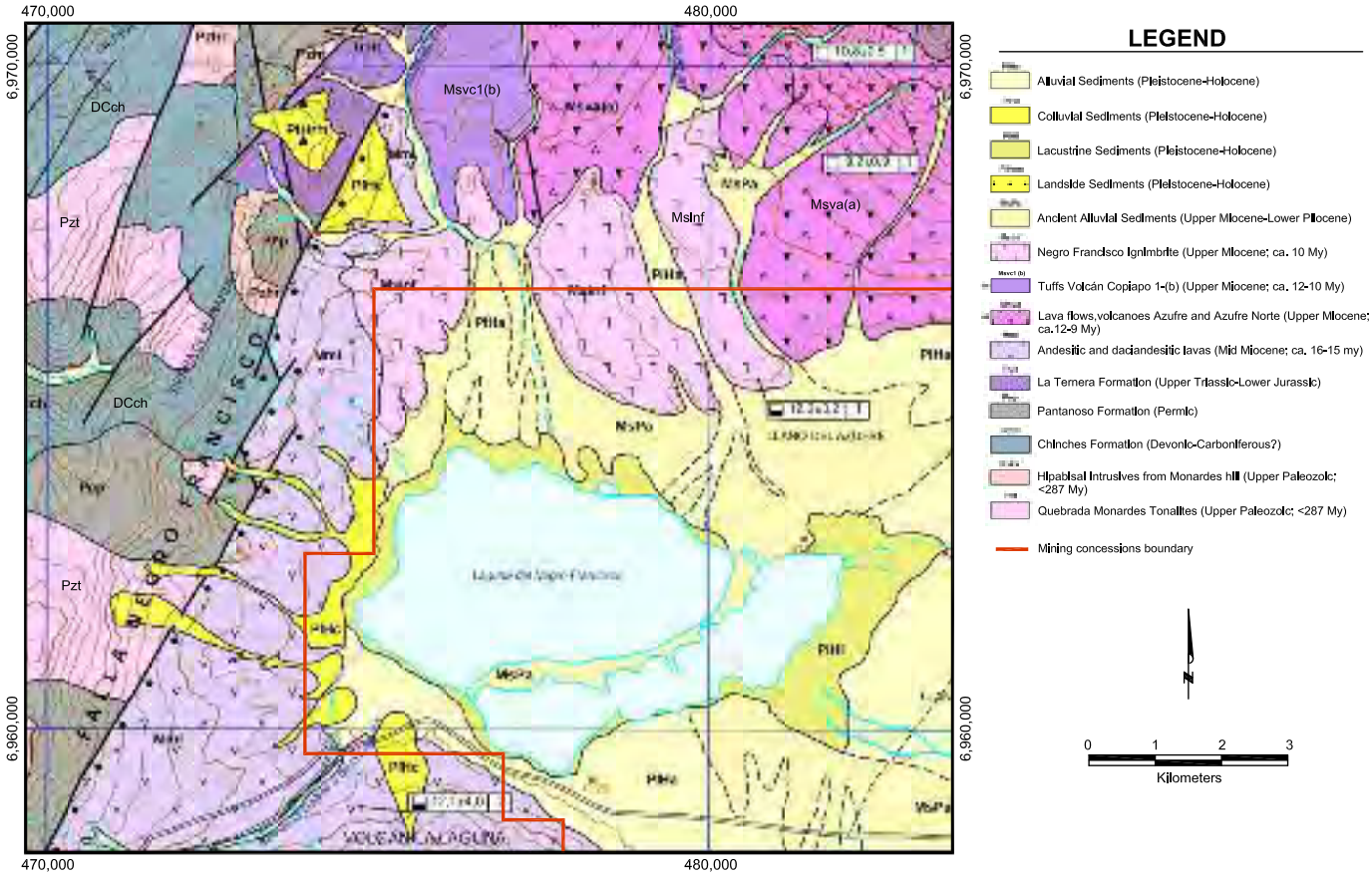
SCL 33A	Exploration	Laguna Negro Francisco SpA	100%	April 14, 2022	200	Shall be converted into exploitation before expiration
SCL 34A	Exploration	Laguna Negro Francisco SpA	100%	April 20, 2022	200	Shall be converted into exploitation before expiration
SCL 35A	Exploration	Laguna Negro Francisco SpA	100%	April 20, 2022	300	Shall be converted into exploitation before expiration
SCL 36A	Exploration	Laguna Negro Francisco SpA	100%	May 29, 2022	300	Shall be converted into exploitation before expiration
SCL 37A	Exploration	Laguna Negro Francisco SpA	100%	April 24, 2022	300	Shall be converted into exploitation before expiration
SCL 38A	Exploration	Laguna Negro Francisco SpA	100%	April 15, 2022	200	Shall be converted into exploitation before expiration
SCL 39, 1 al 200	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	200	Pending sentence
SCL 40, 1 AL 200	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	200	Pending sentence
SCL 41, 1 AL 200	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	200	Pending sentence
SCL 42, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Pending sentence
SCL 43, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Pending sentence

SCL 44, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Pending sentence
SCL 45, 1 AL 300	Exploitation, in progress	Laguna Negro Francisco SpA	100%	Indefinite	300	Pending sentence
SCL 46A	Exploration	Laguna Negro Francisco SpA	100%	January 25, 2023	100	Shall be converted into exploitation before expiration

6.2.3 Geologic Conditions

The following local geology section is taken mostly from the compiled geologic summary from Kinnell (2018). The Francisco Basin is a large, fault-bound, alluvium-filled basin to the immediate south of the Copiapó Volcano. The basin is closed, drains a large area and the salar appears to be the lowest point within the drainage. The rocks in the drainage surrounding this salar are dominantly volcanic, ranging in age from Eoceneto Miocene, juxtaposed with some older rocks. To the west is a Cretaceous sedimentary sequence separated from the volcanic rocks of the Negro Francisco Basin area by the Cerro Guerrita Fault. To the east, an older Oligocene to Miocene volcanic sequence is overlain by the Copiapó volcanic rocks.

The Francisco Basin alluvial basin sits at the junction of three catchments. These river systems presumably provide the fill for the basin and are in part, along with the limits of the salar, structurallycontrolled. The alluvial fill may be covering post-Copiapó-aged faulting (**Figure 17**).



Source: Modified from Mpodozis et al., 2012

Figure 17. Local Geology of the Negro Francisco Basin

The salar lakes are effectively divided into two parts by a natural causeway of Miocene alluvium (**Figure 18**). This causeway alluvium is older than the other alluvial and colluvial sediments of the basin that hosts the salar and separates the dark-colored, southern lake from the pale-colored, northern lake. The southern salar contains brackish water, as it is fed directly by surface inflows, whereas the northern salar has a sizeable pool of hypersaline brine covering the majority of its area, along with dry salar surface around the margins and the northeast segment. The concessions held by Cleantech in the Francisco Basin completely cover the salar and much of the area of adjacent alluvial cover.



Figure 18. Natural Causeway Dividing Hypersaline and Brackish Lakes

6.2.4 Exploration

6.2.4.1 Previous Studies

Prior to activities by Cleantech in 2018, previous work in the Francisco Basin was limited to Government agency investigations around the basin for the purpose of defining regional water resources. The following is a brief summary of these studies.

A study of the basin was completed for the Ministry of Public Works (Behncke, 1987). No analyses were done, but water samples were measured for electrical conductivity to estimate total dissolved solids (TDS). This work identified that the northern salar has a range of salinity between 45,000 mg/L and 325,000 mg/L and the southern lagoon has a range of salinity between 3,500 mg/L and 9,500 mg/L.

As part of a district-wide investigation, a water sampling program was completed in and around the Negro Francisco Basin (Risacher et al., 1999) to assess potential sources of fresh water in the region. A total of 17 samples were collected from surface waters at various points across the basin of which six samples were taken from the north and south lakes. Sample locations are shown on **Figure 19**.

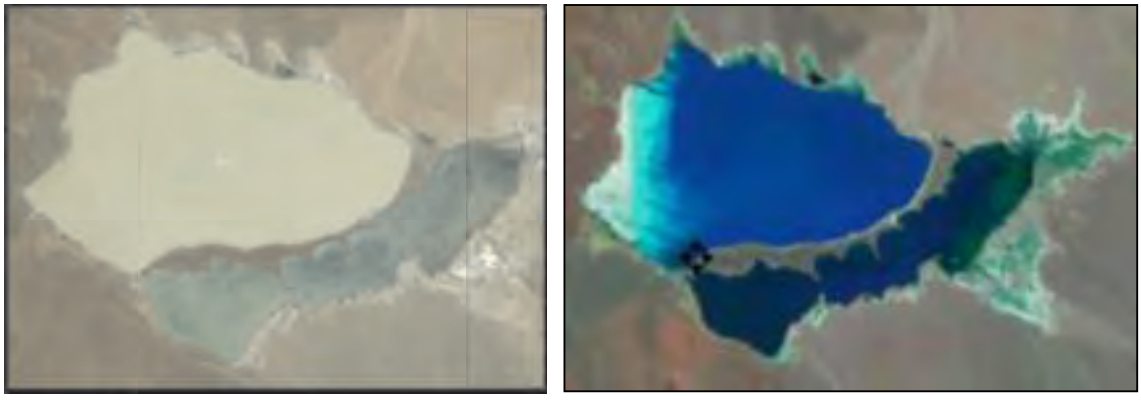
Sample FRA4 (**Figure 19**) was collected from the surface brine pool, which was noted as being hypersaline and returned a lithium concentration of 916 mg/L and a TDS of approximately 318,000 mg/L. The remaining samples did not return similar lithium concentrations, but this samples provided support that concentrated lithium occurs in the north brine lake. All other samples from both the northern and southern salars returned analyses varying between completely fresh/ drinkable water and brackish, indicating a freshwater inflow.

The SERNAGEOMIN (Servicio National Geologica y Mineria de Chile) Basin Survey and Geological Mapping division delivered a series of 1:100,000 scale maps over the water bodies and rivers of northern Chile specifically to document water quality and hydrogeology, including the Negro Francisco basin (Iriarte et al., 1998). During the work, one sample was taken from the surface brine pool of the northern salar, which showed a lithium concentration of 240 mg/L and a TDS of 160,000 mg/L. All other 45 samples collected from various other points of the basin indicated fresh water with a maximum lithium grade of 1.4 mg/L and TDS not exceeding 1,000 mg/L.



Figure 19. Historical Sampling Points Within Negro Francisco Basin

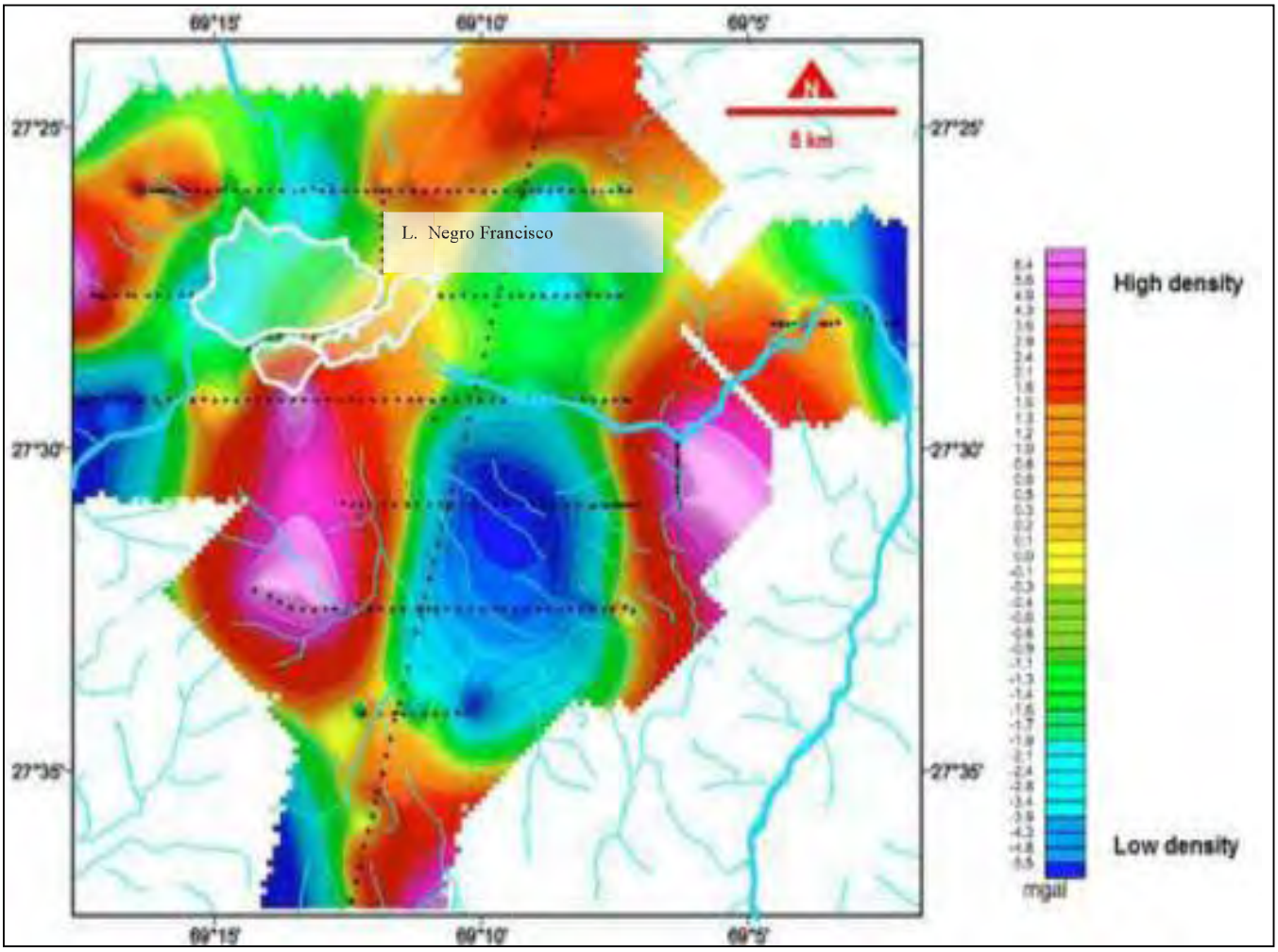
The significant difference in lithium concentration is likely to be the consequence of dilution from snowmelt inflows during the late spring and summer months. There is no specific date associated with either sampling program; however, the physical evidence supports this scenario. As documented in Kinnell (2018), there is a significant seasonal variation in the size of the surface brine pool at Negro Francisco Basin as seen on past satellite images. The general pattern appears to be that the lake is at its minimum extent in late summer or autumn after the months with highest net evaporation and expands to fill the entire salar area generally after snowfall events during the winter months and early spring. Satellite images from early March and August 2017 are indicative of this pattern (**Figure 20**) and provide support for the presumption of differences in lithium concentration as a result of dilution.



Source: Kinnell (2018)

Figure 20. Satellite Images from 8 March 2017 and 20 August 2017

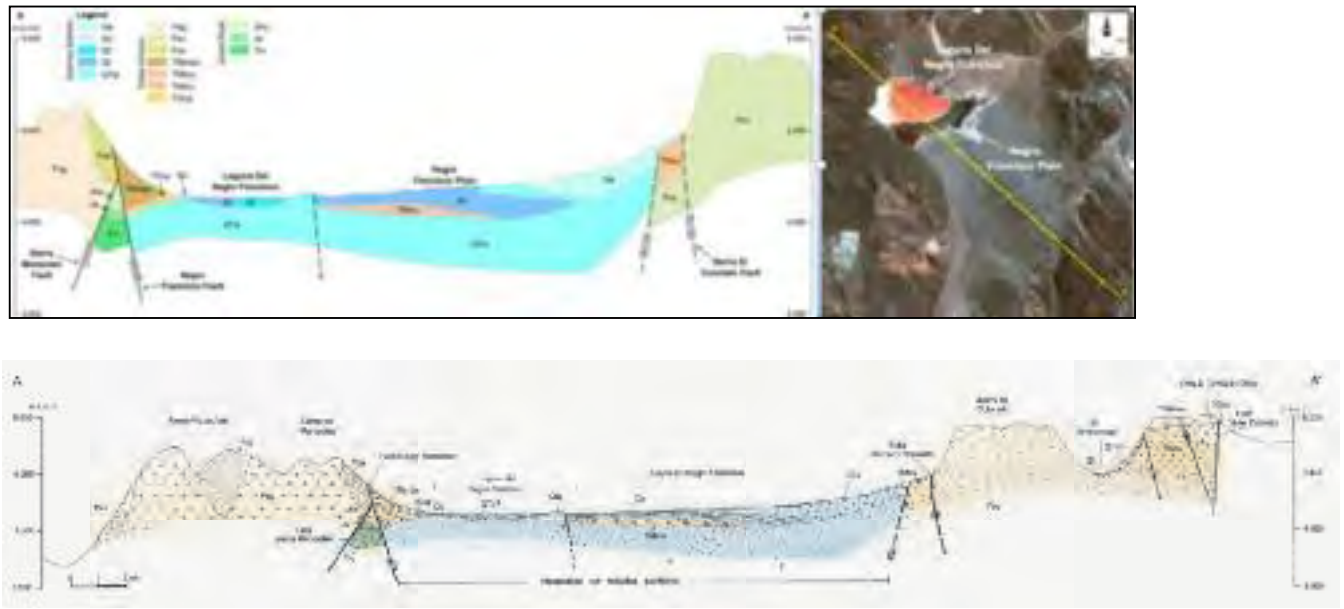
SERNAGEOMIN also undertook extensive surface geological mapping and demonstrated the basin to be the termination of three drainage catchments dominated by Quaternary alluvial sediments with fluvial and lacustrine sediments covering the salar surface. A geophysical program comprising 12 gravity lines with approximately 200 stations was also undertaken; results are shown on **Figure 21**.



Source: Iriarte et al., 1999

Figure 21. Gravity Survey in Negro Francisco Basin Showing Stations

Figure 21 shows a low-density zone underneath the northern salar of Negro Francisco Basin rising up to a higher density zone under the southern salar. Comparing this zone to the geology map suggests that this area of low density may be structurally controlled. The low-density zone is most likely to be a basin of undetermined thickness, containing saturated sediments. The conclusion of Iriarte et al., (1998) appears to be similar; their interpreted section shows the saturated sediments of Negro Francisco Basin continuing for at least 200 m below surface, as seen on **Figure 22**.



Sources: Kinnell (2018) (top) and Iriarte et al. (1999) (below)

Figure 22. Geological Cross-Section Line through Negro Francisco Basin

6.2.4.2 January 2018 Brine Sampling Campaign in Laguna Negro Francisco

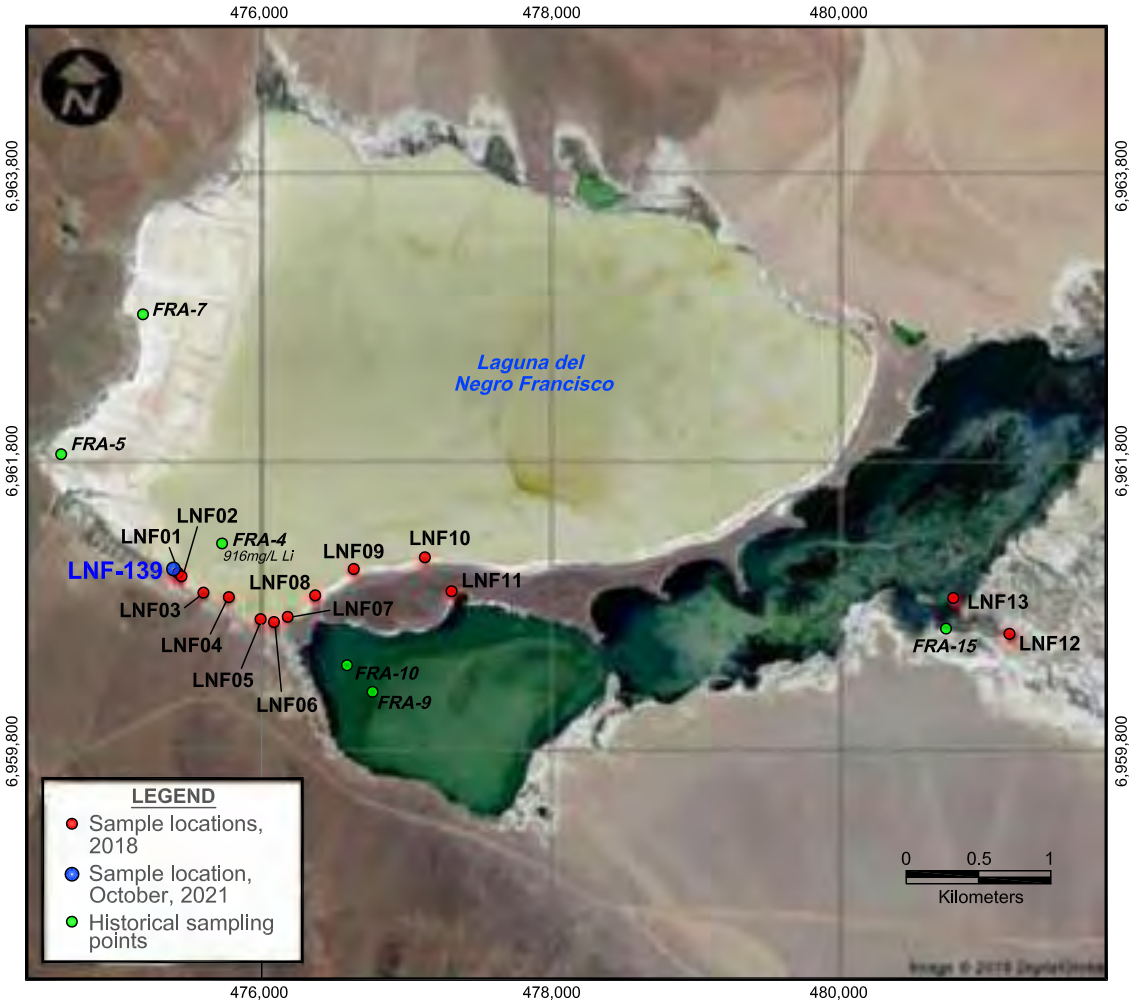
In mid-January 2018, 13 brine samples were obtained at the brine lake (Kinnell, 2018), including ten samples from close to the edge of the north lake and three samples taken from the south lake and its vicinity. Locations for the samples are shown **Figure 23**. A summary of the chemistry results is given in **Table 5**.

Table 5. Summary of Laboratory Chemistry Results, Year 2018 Sampling Program

Sample	Li (mg/L)	Na (mg/L)	K (mg/L)	Mg (mg/L)	SO_4(mg/L)	B(mg/L)	Density
Northern Lagoon							
LNF 01	372	75,200	4,594	2,000	4,070	799	1.179
LNF 02	372	72,457	4,341	1,920	4,070	832	1.170
LNF 03	369	69,486	4,055	1,850	3,740	767	1.163
LNF 04	374	74,514	4,325	1,750	4,020	832	1.174
LNF 05	388	80,000	4,400	1,780	4,710	961	1.188
LNF 06	361	67,886	3,984	1,730	3,850	821	1.181
LNF 07	387	79,771	4,659	1,740	4,440	864	1.183
LNF 08	371	73,371	4,314	1,860	3,930	842	1.172
LNF 09	374	76,800	4,392	1,700	4,050	864	1.174
LNF 10	384	80,000	4,565	1,860	4,380	896	1.185
Average	375	74,949	4,363	1,819	3,070	848	1.177
Southern Lagoon							
LNF 11	7.9	2,346	193	150	3,070	248	1.007
LNF 12	3.0	570	414	3	1,550	151	1.121
LNF 13	0.4	1,237	10	70	610	65	1.002

Source: Kinnell (2018)

Inspection of **Table 5** shows that the average lithium concentration in the lake brine is 375 mg/L, which is considerably larger than the lithium concentration in the adjacent freshwater lake.

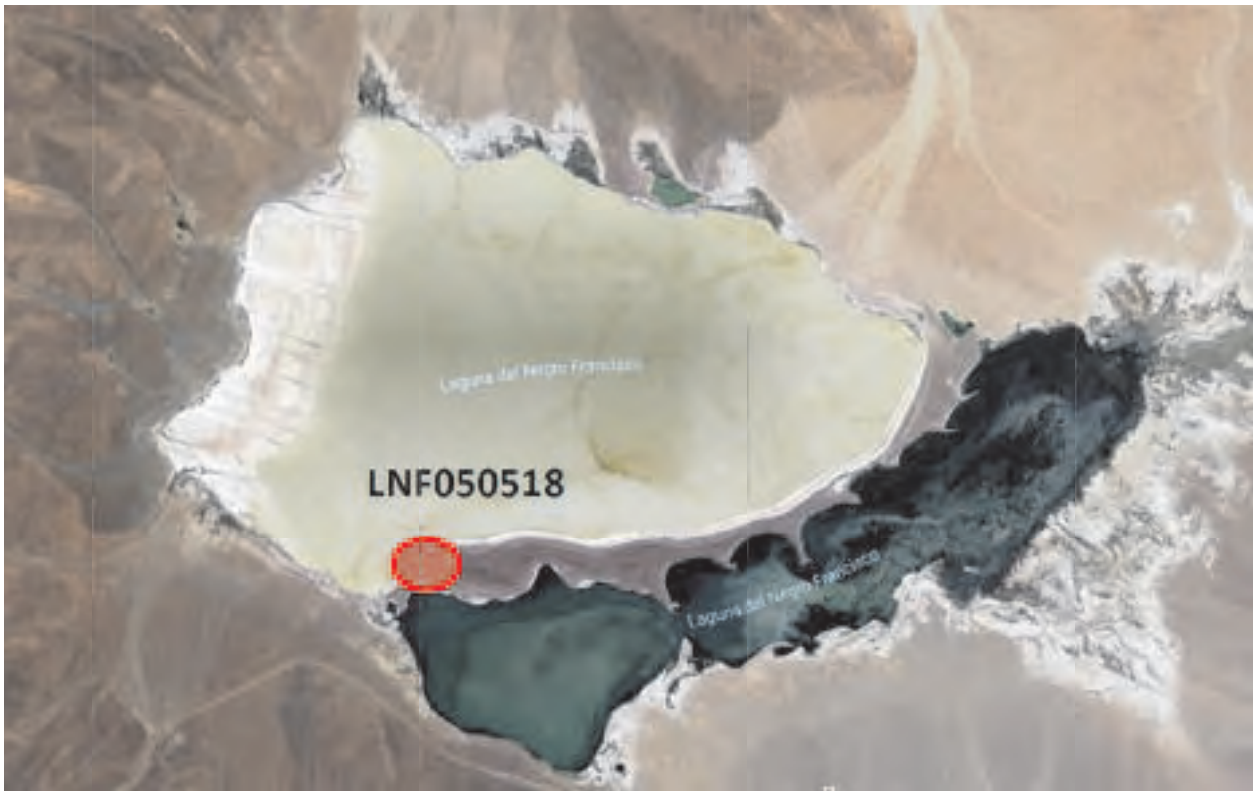


Modified from Kinnell (2018)

Figure 23. January 2018 Sample Locations at Laguna Negro Francisco

6.2.4.3 May 2018 Brine Sampling Campaign in Laguna Negro Francisco

On May 5, 2018, an additional brine sample was obtained at the southwest corner of the brine lake (Sanchez, 2018). Location for the sample is shown **Figure 24**. The laboratory result indicated a lithium concentration of 694 mg/L, with a TDS value of 405,000 mg/L.

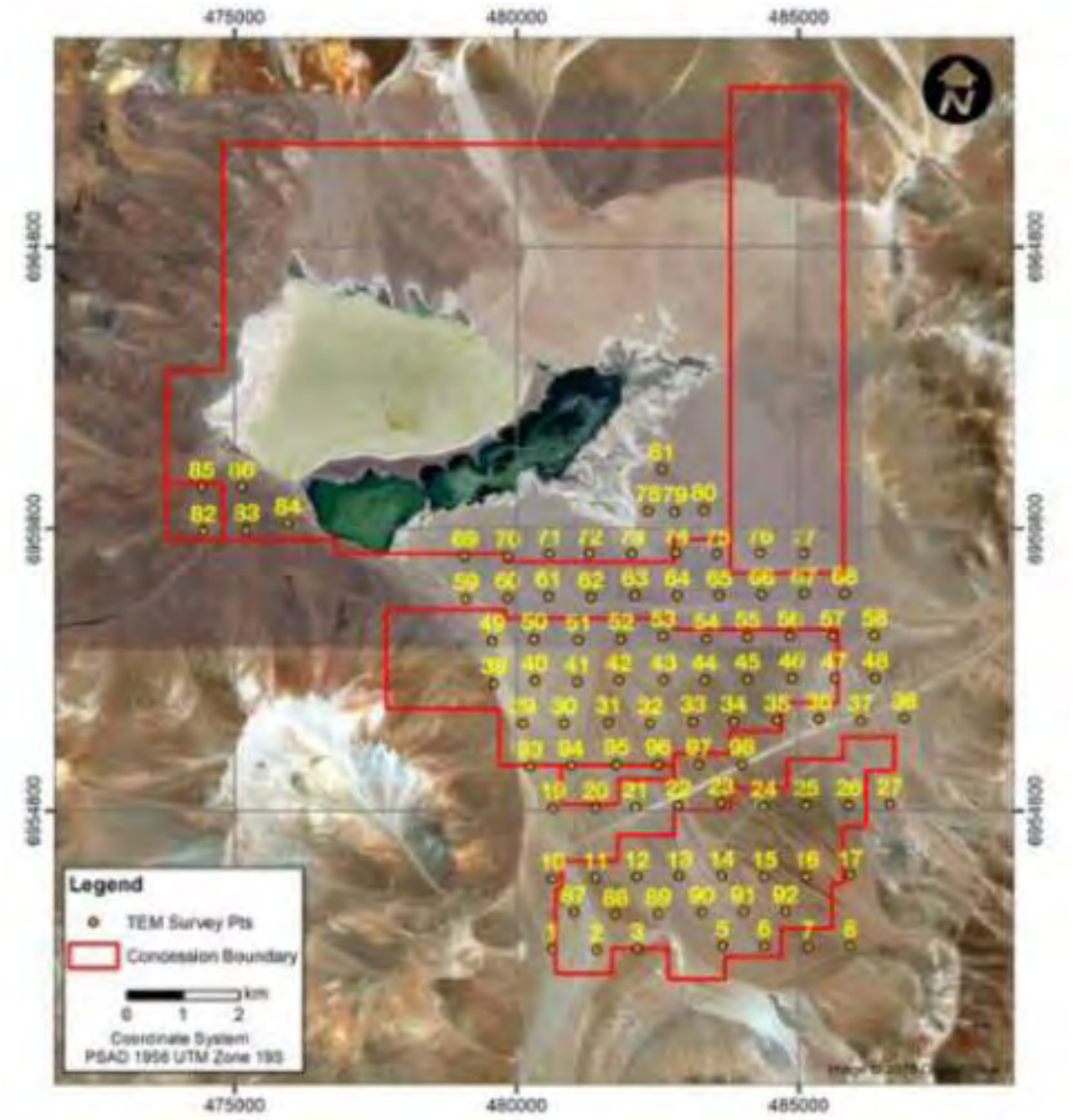


Source: Sanchez (2018)

Figure 24. May 2018 Sample Location at Laguna Negro Francisco

6.2.4.4 Year 2018 TEM Geophysical Survey

A TEM geophysical survey was conducted in 2018 by Santiago-based Terra Pacific Solutions (2018) for Cleantech. The TEM survey aimed to define the subsurface distribution of high concentration brines over the exploration area. The survey comprised a total of 94 stations with target depth of investigation ranging between 400 and 500 m below land surface. The locations of stations are shown on **Figure 25**. The survey covered an area over 50 km^2 outside the adjacent national park. The data was independently reviewed by Groundwater Science of Adelaide Australia (Jeuken, 2018).



Source Kinnell (2018)

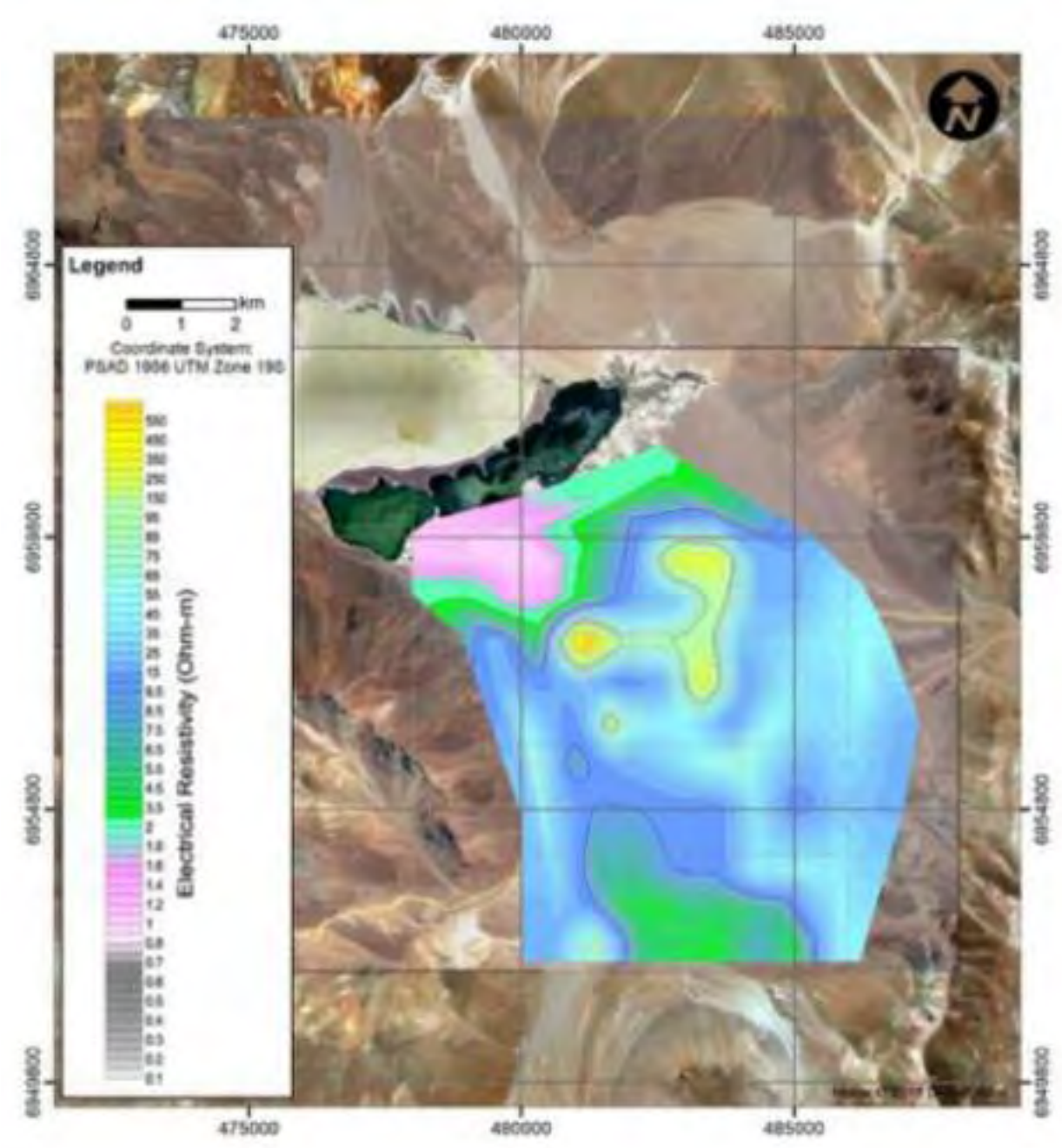
Figure 25. Negro Francisco Basin TEM Station Locations

The TEM survey provided a resistivity profile for the basin. Low resistivity readings correspond to areas with high conductivity, possibly associated with saline groundwater. Low resistivity (below 3 ohm-m) is shown with the color scale of magenta up to aqua and believed to represent a zone of high concentration brine. According to Kinnell (2018), the

survey produced two such zones. Although connected hydraulically, Kinnell referred to the zones as "shallow" and "deep". Maps of interpreted surfaces for 4,000 masl, and 3,950 masl are shown on **Figures 26 and 27** and represent the "shallow" zone; **Figures 28 and 29** show the interpreted resistivity surfaces for the 3,750 and 3,700 zones and represent the "deep" exploration target zones. The following sections reflect a summary of the interpretations by Kinnell (2018) and Jeuken (2018).

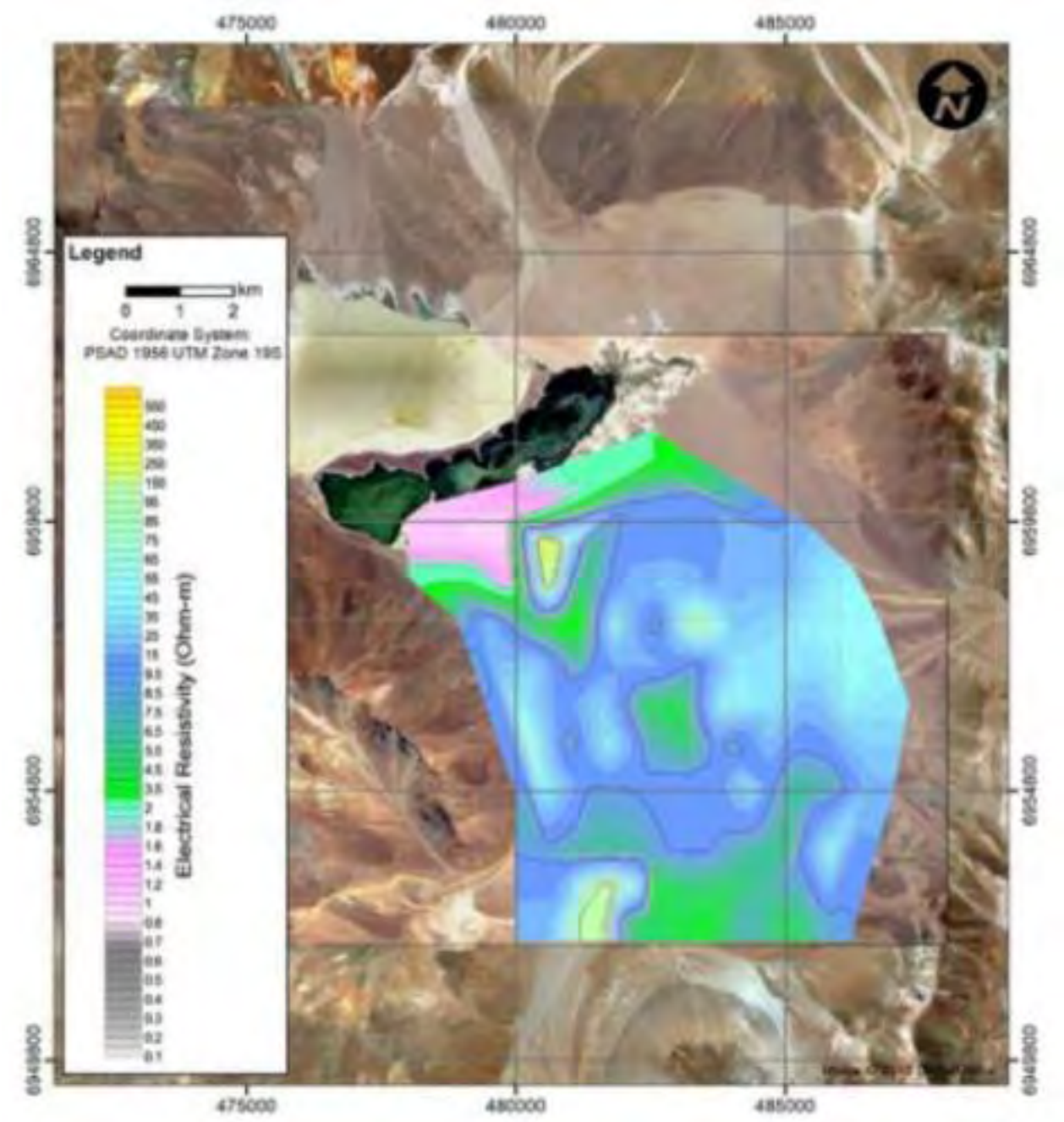
Shallow exploration target zone of low resistivity

The salar at the Negro Francisco Basin is the lowest topographical point of the basin sitting at an elevation of approximately 4,140 m asl. The TEM survey showed a zone of low resistivity to the immediate southeast of the salar, starting at a relatively shallow elevation of around 4,020 m with an average thickness of approximately 70 m. This zone of low resistivity can be seen in the 4,000 m and 3,950 m modelled elevations (**Figures 26 and 27**). The area of lowest resistivity, shown as magenta/aqua coloring, is approximately 10 km^2 at the 4,000 m elevation, and 8 km^2 at the 3,950 m elevation. This exploration target zone of presumed high concentration brine is effectively open to the north and northwest, and potentially extends to a significantly larger area in these directions than currently seen by the geophysics. No stations were located within the area of the national park, so the extent of the exploration target zone in these directions is unknown.



Source Kinnell (2018)

Figure 26. Shallow TEM Resistivity Contours, 4,000 Meters Altitude

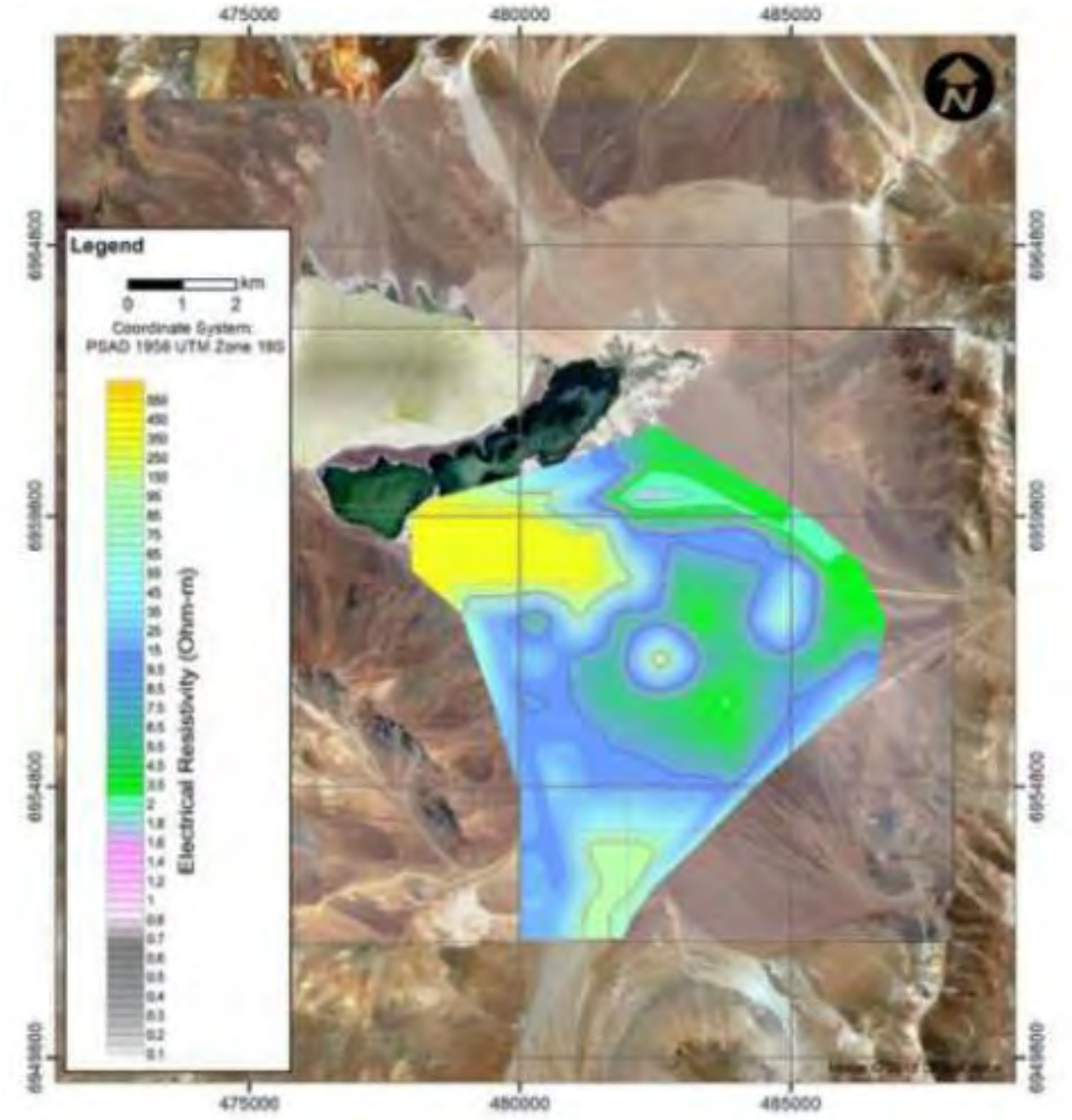


Source Kinnell (2018)

Figure 27. Shallow TEM Resistivity Contours,3,950 Meters Altitude

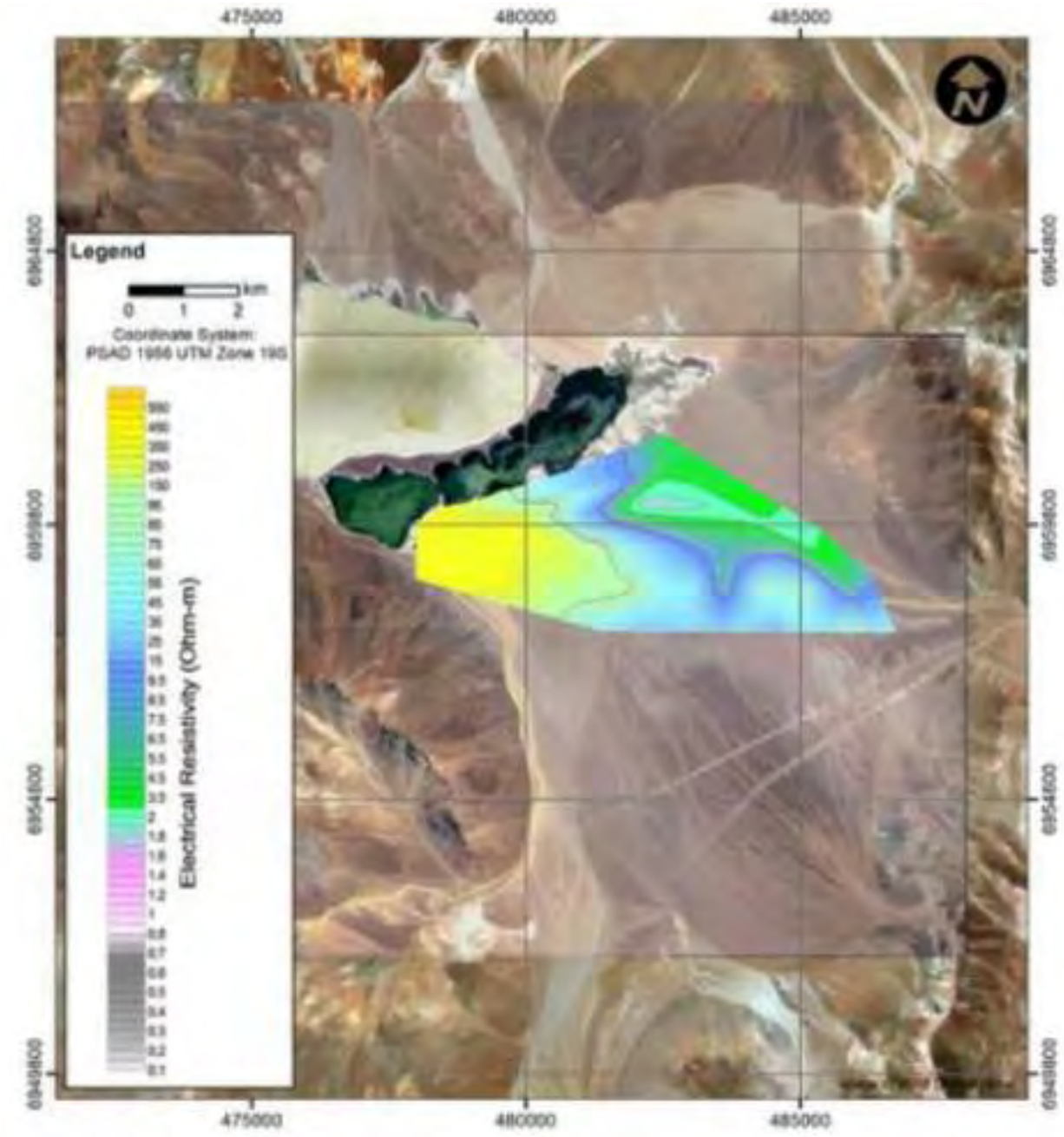
Deep exploration target zone of low resistivity

The TEM survey identified a second, smaller zone of low resistivity which is offset further east and at a deeper elevation, starting at approximately 3,780 m. Using horizontal modelling of the station data points, this zone is shown on **Figure 27** at elevations of 3,750 m and on **Figure 28** at 3,700 m. The area of the zone is 2–3 km^2 at both elevations with an average thickness of approximately 130 m. The color scale is dominated by aqua indicating a relatively higher resistivity than the shallow exploration target zone. However, resistivity readings generally exhibit an upward bias at greater depths, and such low resistivities at the depths recorded can therefore be considered prospective. Kinnell (2018) indicates this deep, presumed high concentration brine exploration target zone is also open to the east potentially extending to a larger area than currently modelled.



Source Kinnell (2018)

Figure 28. Deep TEM Resistivity Contours, 3,750 Meters Altitude



Source Kinnell (2018)

Figure 29. Deep TEM Resistivity Contours, 3,700 Meters Altitude

It is of the opinion of the CP that the results of the TEM suggest that concentrated brine occur at depth in the southern concessions included in the TEM survey. Within a uniform lithologic unit, brine concentrations tend to me mostly uniform at depth unless affected by freshwater dilution. Density flow controls that movement of deep water in closed basin

salars, and assuming the density of the brine is uniform (as observed in the surface brine lake), variabilities in the chemistry (and resistivity) tend to be small. The observed variability in the resistivity values in the hydrogeological units underlying the concessions south of the lakes may reflect variations in lithology. regardless of the variations, the CP believes that additional exploration drilling is warranted to determine the nature of the aquifer system in the Francisco Basin area.

6.2.4.5 Year 2018 Drilling Campaign

In 2018, an exploration drilling campaign was attempted in the Negro Francisco basin. The drilling rig was mobilized to site in December 2018 and drilling to target the deep aquifer was attempted at three locations. Summary of drillhole locations is given in **Table 6** and shown on **Figure 30**. Details of the campaign are summarized in Kinnell (2018).

Table 6. Summary of Drillholes Attempted During 2018, Laguna Francisco Basin

Hole	Depth	UTM East	UTM North	Elevation	Start Date	Completion Date
FB-01-18	19.5	479,927	6,959,474	4,152	12/5/18	12/9/18
FB-02-18	102	478,469	6,959,571	4,152	12/10/18	12/17/18
FB-03-18	222	478,461	6,959,557	4,152	12/18/18	12/26/18

Note: Values are in meters. Elevation is in meters a.s.l. Source: Kinnell (2018)



Source: Kinnell (2018)

Figure 30. Location Map for Three Incomplete Drillholes, Francisco Basin

Due to difficult drilling conditions largely based on encountering a shallow high pressure freshwater aquifer in the upper 20m of the hole, drilling to completion depth and/or casing installation were not possible. At well FB-03-18, the target depth was reached. To collect brine samples representative of the lower exploration target aquifer, the holes required to be cased and purged of water encountered during the drilling. This was not achieved as the hole collapsed prior to casing. Three samples were collected during the drilling of the hole when heavy mixing of upper freshwater aquifer water with brine from the deeper exploration target aquifer was thought to be taking place.

Samples were analyzed, at the University of Antofagasta. The results are given in **Table 7**. Because of the low salinity concentrations, it was surmised by Kinnell (2018) that the samples were diluted with fresher water from overlying fresh water. Note that the samples

have very similar lithium enrichment, in terms of the lithium to total salinity ratio, as the surface sample program. Although there is doubt regarding the quality of the samples, the CP believes that these values represent minimum lithium values for the deeper aquifer system, and it is considered reasonable but not certain that a significant amount of dilution occurred. Additional drilling and testing is needed to determine if or how much dilution affected the samples.

Table 7. Summary of Laboratory Chemical Results from Francisco Basin Drillholes

MUESTRA	Deep m	Li ppm	Mg ppm	TDS g/l	uS/cm	Density gr/c
MGXCLS 9	156	16	504	10.64	16366	1.005
MGXCLS 11	162	70	1592	30.21	46477	1.024
MGXCLS 13	168	76	2354	44.90	69077	1.029

Source: Kinnell (2018)

7 YEAR 2021 CP SITE INSPECTION

As part of the due diligence process, the CP visited both Project sites on October 9, 2021. The CP was accompanied by senior geologist Christian Feddersen. Mr. Feddersen has been closely associated with all of the recent exploration work completed in the Laguna Verde area, and also authored the resource estimate report for Laguna Verde (Feddersen, 2021). The purpose of the site inspection was to obtain independent surface brine samples to confirm the chemistry of the previous sampling events in both the Laguna Verde and Francisco Basin Project areas. The logistics of the trip summary and observations were as follows:

- 07:40 M. Rosko, C. Feddersen leave Copiapó. Road to Laguna Verde is shown on **Photo 1**



Photo 1. Scenic view of valley on way to Laguna Verde area

- 10:30 Arrive at Laguna Verde Project area (**Photo 2**).



Photo 2. Laguna Verde

- 10:47 Obtain lake brine samples (**Photo 3**).



Photo 3. CP filling sample bottle at Laguna Verde

UTM location coordinates for Laguna Verde brine sample 08431138 (LV-138)
N. 7,025,099
E. 552,814
Altitude 4,341 meters above mean sea level

A total of four bottles were filled. Location of the sample is shown on **Figure 7**. Three of the bottles were submitted to ALS Laboratories in Santiago, Chile; a 1-liter was taken as a duplicate and is currently being stored in La Serena, Chile.

- 1:15 Leave Laguna Verde Project area to travel to the Francisco Basin Project area
- 13:46 Arrive at Francisco Basin (**Photo 4**).



Photo 4. Laguna Negro Francisco

- 14:00 Obtain lake brine samples (**Photo 5**).



Photo 3. CP with sample bottle at Laguna Negra Francisco

UTM location coordinates for Francisco Basin brine sample 08431139 (LNF-139)
N. 6,961,037
E. 475,392
Altitude 4,142 meters above mean sea level

A total of four bottles were filled at the brine lake located at the northwest part of the lake complex. Location of the sample is shown on **Figure 23**. The sample was taken in the sample areas of samples LNF-02 and LNF-03 (Kinnell, 2018). Three of the bottles were submitted to ALS Laboratories in Santiago, Chile; a 1-liter was taken as a duplicate and is currently being stored in La Serena, Chile.

- 14:57 Travel back to Copiapó, arriving approximately 19:15

The samples were shipped to ALS Laboratories in Santiago de Chile on October 12, 2021. Receipt of undamaged samples was confirmed by the laboratory.

7.1 LABORATORY RESULTS FOR OCTOBER 2021 BRINE SAMPLES

Laboratory analytical results for the October, 2021 independent samples are given in **Appendix A**. **Table 8** is a summary of the laboratory results from the October 9, 2021 Laguna Verde and Laguna Negro Francisco samples taken by the CP and C. Feddersen. **Table 8** also includes the average values of the samples obtained previously and reported in Feddersen (2021) and Kinnell (2018). Inspection of the table confirms that the laboratory results from the independent sampling in October reasonably agree with the previous laboratory results.

Table 8. Summary of Laboratory Chemical Results for Brine Samples

SAMPLE LOCATION	SAMPLE ID	Date	Li (mg/L)	Mg (mg/L)	K (mg/L)	B (mg/L)	SO_4 (mg/L)	Density (g/cm^3)
LAGUNA VERDE	08431138 (LV-138)	10/09/21	320	2,596	5,405	514	6,549	1.13
LAGUNA VERDE	Average values	6/3/21 6/4/21	246	2,346	4,871	470	11,125	1.11
LAGUNA NEGRO FRANCISCO	08431139 (LNF-139)	10/09/21	487	5,504	4,737	517	16,703	1.16
LAGUNA NEGRO FRANCISCO	Average values	January 2018	375	1,819	4,363	848	3,070	1.18

Note: Metals, including lithium, were analyzed using the Optical Inductively Coupled Plasma (ICP) method, which ALS Laboratory indicates is most appropriate for high conductivity brine samples

Despite differences in the chemistry for the previous samples versus the samples obtained by the CP in October, 2021, it is the opinion of the CP that concentrated levels of lithium occur in each of the Project lakes. Sampling during a different time of year may account for the differences in chemistry. We recommend additional sampling in January at Negro Francisco, and in June at Laguna Verde to eliminate the potential changes due to seasonal effects.

8 INITIAL RESOURCE ESTIMATE FOR THE LAGUNA VERDE AREA

The initial lithium resource estimate for the Laguna Verde was prepared by Feddersen (2021) in accordance with JORC guidelines. The Laguna Verde lithium resource estimate is composed of two elements (**Figure 31**), the brine of the surface lake (surface brine resource), and the brine hosted in what are inferred to be volcaniclastic sediments beneath the lake (sub-surface resource).

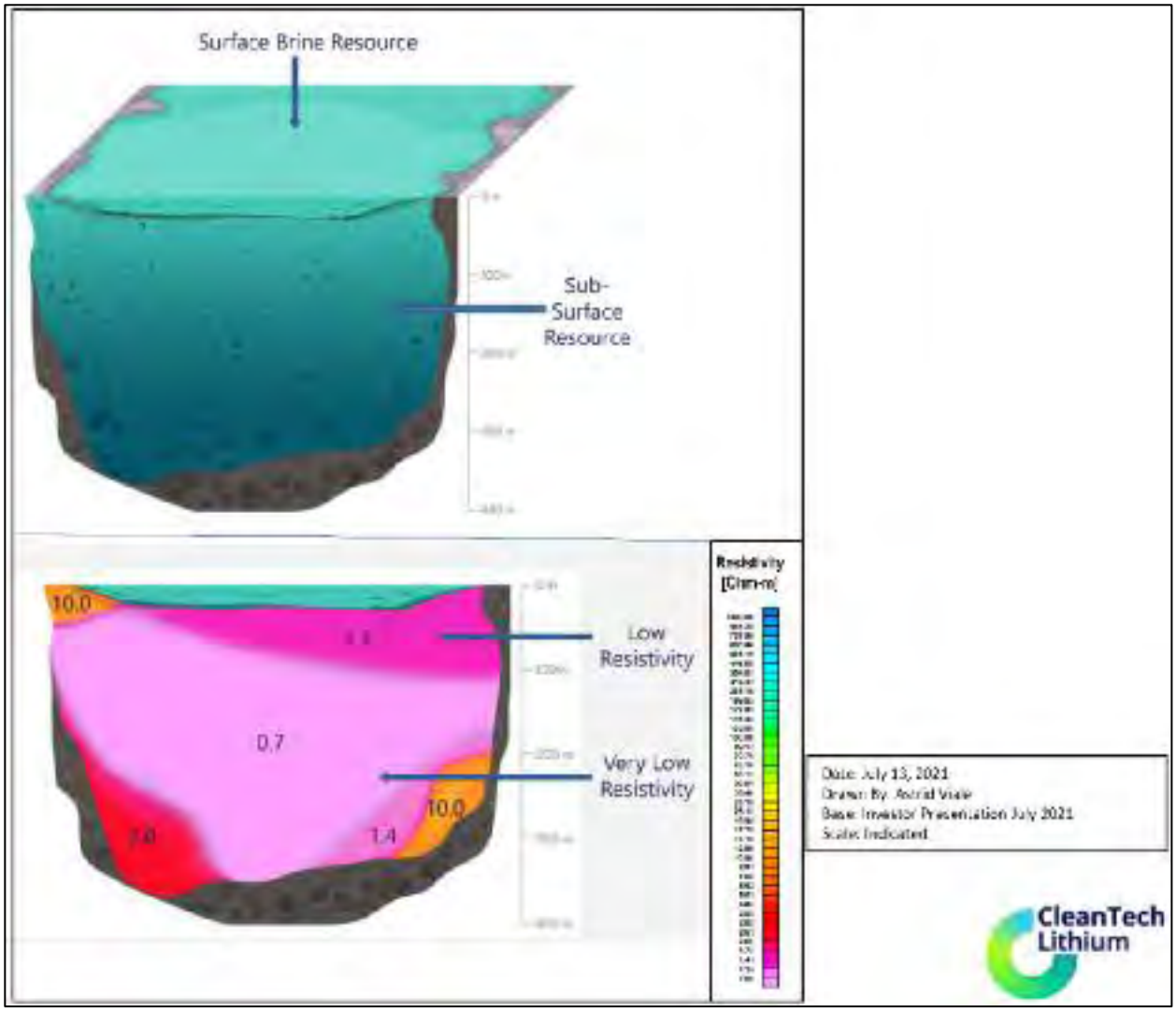


Figure 31. Laguna Verde Geological Interpretation

8.1 SURFACE BRINE RESOURCE

The surface lake brine water volume is directly calculated using the bathymetry study from Geodatos (2021a) and was computed by Feddersen (2021) to be 59,490,027 m^3; the CP has confirmed this calculation. This volume was modified from the initial bathymetric volume of 62,243,961 m^3 based on variations in the areal extent of the lake as later determined using recent satellite images.

Slight variations in lake volume may occur based on seasonal changes in evaporation rate and precipitation, but because these two factors should also slightly change the lithium concentration, we believe that the estimated lithium content in the lake water is effectively unchanged during the year because lithium does not precipitate under the given conditions. Lithium concentrations in the lake brine sample results are similar regardless of location in the lake or depth. We believe this uniformity is due to mixing, and that the average lithium concentration of 246 mg/L for the lake is acceptable for calculation of total lithium.

The surface brine total Li mass in tonnes was computed by Feddersen (2021) as the product of the lake volume (59,490,027 m^3) times the lake average Li value (245.794 mg/l Li) and divided by 1,000,000 for unit's conversion. To compute the Lithium Carbonate Equivalent (LCE) from Li metal, the known industry factor of 5.323 was used. **Table 9** summarizes the surface brine Measured lithium resource.

Table 9. Surface Brine Resource Calculation

Surface Brine Estimated Lithium Resource		
Volume	**m^3**	**59,490,027**
Average Grade Li	**mg/l**	**245.794**
Li Mass	tonnes	14,622
Measured Resource (Lithium Carbonate)	**tonnes**	**77,834**

Source: Feddersen (2021)

8.2 SUB-SURFACE RESOURCE

The sub-surface resource consists of the lithium in brine believed to be contained in the hydrogeologic units below the lake area, as suggested by the TEM geophysical survey (Feddersen, 2021; Geodatos, 2021b). It was assumed that resistivity values for the units with <2 Om-m were brine-rich aquifer units composed by sedimentary deposits. It was this criterion that allowed for construction of a model of the units below the lake, and ultimately used to construct a 3D model shell to calculate the total sediments volume and ultimately to estimate the inferred lithium resource.

The 3D model (**Figure 32**) was prepared by Feddersen (2021) using the GEMS software package (Dassault, 2015), and by importing the <2 Ohm-m shell from the TEM geophysical sections (Geodatos, 2021b). The digitized sections were spatially recalibrated to match the exact projection from the TEM station positions. Interpreted polygons with <2 Ohm-m areas in each section were extruded to form volumes that were used as base for the final model (**Figure 32**), which was formed using a series horizontal plans vertically separated by 50 m.

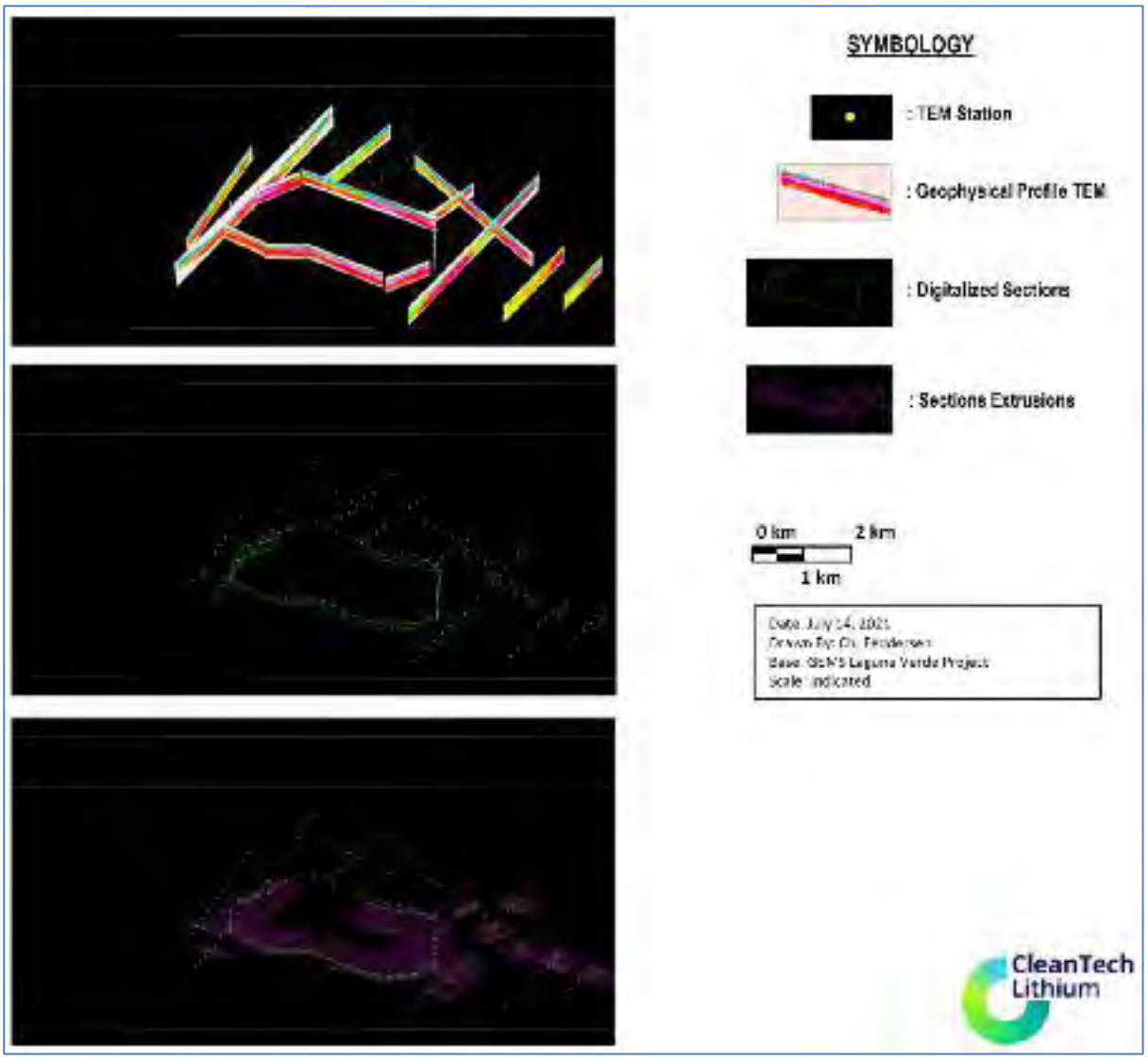


Figure 32. Sub-Surface Model Building - Part 1

The model dimensions were restricted to the lake area and sediments directly below. The TEM survey shows that the low resistivity layer is a continuity from the surface lagoon brine. Finally, the below 2 Ohm 3D shell model was built with the modelled plans (**Figure 33**). The maximum resistivity value inside the model is 2.63 Ohm-m and the minimum resistivity value is 0.4 Ohm-m. The model volume of saturated hydrogeologic units below 2 Ohm-m has a total volume of 8.1 billion m^3 (isolated below 2 Ohm volumes located outside and disconnected from the lake horizontal boundary were not taken into account); this value was

generally confirmed by the CP with a non-GEMS output file received by Feddersen, and reviewed by the CP.

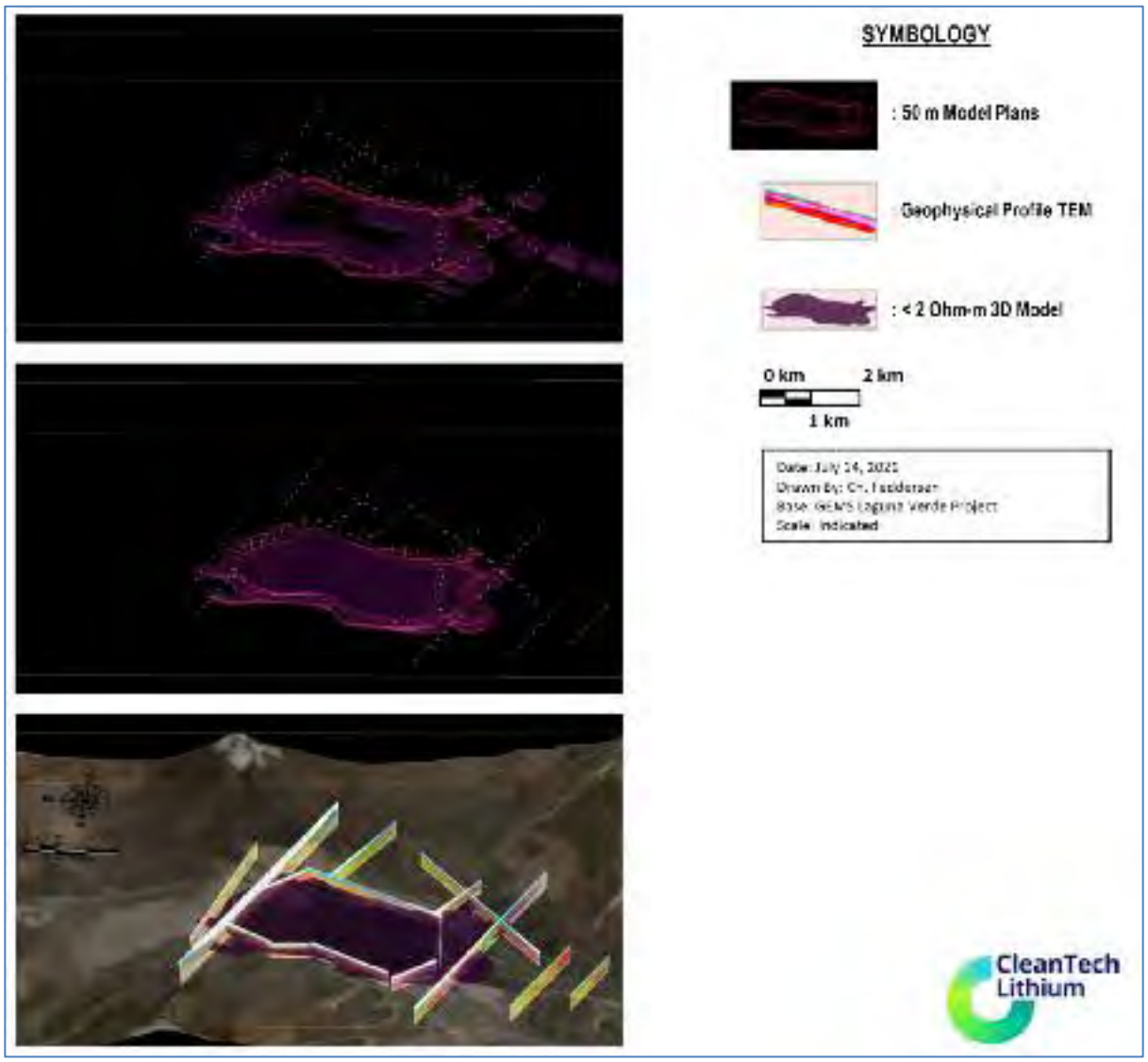


Figure 33. Sub-Surface Model Building - Part 2

The geological units beneath the lake are anticipated to correspond to a thin layer of moderately consolidated tuffs from Laguna Verde Ignimbrite (Pilv) overlying thick beds of ancient coarse sands and gravels (MsPa). A specific yield value of 11% was assumed for the sub-surface resource unit. No porosity tests have been made in Laguna Verde to estimate

specific yield, but future exploration drilling and sampling will hope to confirm this initial estimate.

The lithium mass was calculated by Feddersen (2021) by multiplying sediment volume by specific yield to calculate the brine volume, which is then multiplied by the lake brine average Li grade (245.794 mg/l Li) and divided by 1,000,000 for unit conversion. For the resource estimate calculation, which is based on LCE, the standard industry factor of 5.323 was used. The following table summarizes the sub-surface resource calculation (**Table 10**).

Table 10. Sub-Surface Resource Calculation

Sub-Surface Estimated Lithium Resource		
Sediment Volume	**m^3**	**8,100,000,000**
Specific Yield	**%**	**11%**
Brine Volume	**m^3**	**891,000,000**
Average Grade Li	**mg/l**	**245.794**
Li Mass	ton	219,002
Inferred Resource (Lithium Carbonate)	**tonnes**	**1,165,750**

Source: Feddersen (2021)

8.3 RESOURCE SUMMARY

The following table summarizes the Laguna Verde Resources (**Table 11**).

Table 11. Laguna Verde Total Estimated Lithium Resource

Surface Brine Resource			
	Brine Volume	**m^3**	**59,490,027**
	Average Grade Li	**mg/l**	**245.794**
	Li Mass	ton	14,622
Measured Resource	**(Lithium Carbonate)**	**tonnes**	**77,834**
Sub-Surface Resource			
	Sediment Volume	**m^3**	**8,100,000,000**
	Specific Yield	**%**	**11%**
	Brine Volume	**m^3**	**891,000,000**
	Average Grade Li	**mg/l**	**245.794**
	Li Mass	ton	219,002
Inferred Resource	**(Lithium Carbonate)**	**tonnes**	**1,165,750**

Source: Feddersen (2021)
Notes:
1. 100% of the estimated resource is owned by CleanTech
2. The reader is cautioned that mineral resources are not mineral reserves and do not have demonstrated economic viability.

8.4 RESOURCE CHARACTERIZATION SUMMARY

Considering there is effectively no variability in the lithium concentration in the lake, and considering that open water has a specific yield of effectively 100%, a measured categorization is appropriate.

There is uncertainty regarding the condition of the aquifer beneath the lake; therefore, an inferred resource categorization for the sub-surface brine resource contained in the hydrogeologic units below the lake is appropriate. In the experience of the CP, lithium concentration tends not to become reduced or diluted with increasing depth. Denser brine always wants to move lower in the aquifer system. Therefore, it is feasible that larger lithium grade brines may occur beneath the lake; however, using a value of 246 mg/L is considered appropriate for estimating the inferred resource. Regarding the volume of saturated material

below the lake, the TEM survey, although limited in reliability compared to exploration drilling, the CP considers the total volume used for the estimation is feasible given available information. Finally, regarding the value assumed for specific yield, it is the most uncertain value in the equation without knowing with certainty the nature of the hydrogeologic units hosting the brine. If the entire saturated unit consists of sediments, a specific yield value of 11% is considered possible.

8.5 DISCUSSION ON LCE PRODUCTION CAPACITY

It is important to highlight the current resource estimate is not a representation of a total amount recoverable LCE production capacity using wellfield extraction pumping as the mining method – rather it represents the total amount that could be theoretically drained from the aquifer assuming 100% of the aquifer could be drained or extracted. Physically, complete recovery or drainage of this volume of enriched lithium brine is not possible, for the Projects, or for any other salar basin, lithium brine project. This is due largely to the aquifer system receiving a significant amount of recharge from the mountain fronts which will eventually cause dilution effects of the brine and with it, cause lithium concentration to decrease below economic viability of recovery.

Additionally, as more wells are drilled and wellfield extraction reaches a maximum rate during late stages of the life of mine plan, detrimental effects such as well-to-well interference and large drawdown throughout the aquifer will eventually cause water level decline in wells that exceeds the physical and economic constraints of operating an extraction wellfield.

Regarding the use of direct lithium extraction (DLE) for the lake water, it is uncertain as to the percentage of the lithium in solution can be extracted economically. Dilution from the "spent" brine may be large because of the likely requirement to return the processed brine back to the lake. To date, the CP has not seen studies indicating the long-term dilution effects of the DLE process for surface water, nor a study that shows what the cutoff lithium grade is for the DLE process.

Typically for scoping-level analysis of LCE base-case capacity and the potential for expansion of LCE capacity, a useful estimate and realistic assumption is that potentially one-third (33%) of the measured plus indicated (M+I) resource estimate amount should be considered as a reasonable projection of long-term, total recoverable brine (i.e., reserve estimate). Achieving a larger total recovery may be possible, but as indicated would demand additional wells pumping at lower production rates, more dilution, and diminishing return on capital expended.

9 PROCESS METHODOLOGY

CleanTech plans to develop its Projects based on utilizing a processing method that has the potential to minimize the environmental impact of lithium extraction. The process method of direct lithium extraction (DLE), is based on selectively extracting lithium from brine which allows for the processed brine to be reinjected into the sub-surface aquifers of the basins, in order to minimize the amount of water level drawdown.

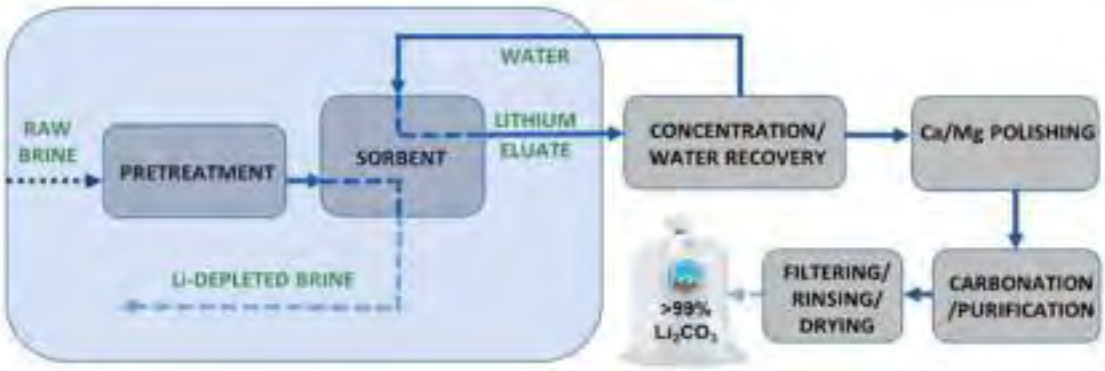
CleanTech has undertaken test work with a number of DLE technology companies and is currently further advancing laboratory scale work with the intention of producing a small volume (1kg) of battery grade Lithium Carbonate Equivalent (LCE). Pending successful completion of this laboratory scale work, the Company will then embark on pilot scale work with the intention of producing 10 tons of battery grade LCE for three consecutive months. The laboratory and pilot scale test work will be undertaken by Beyond Lithium, a DLE technology provider with which CleanTech has entered into a cooperation agreement.

9.1 TEST WORK COMPLETED ON LAGUNA VERDE AND FRANCISCO BASIN BRINES

Previous DLE test work has consisted of bench scale trials with a number of DLE technology providers to determine the effectiveness of the DLE on the concession brines. These assessments are summarized below.

1. Summit Nanotech assessment of Laguna Verde brine

   The initial stage of this case study focused on assessing the feasibility of isolating lithium chloride from the brine. As the sorbent stage is the key step of the extraction process, this study investigated the portion of the process that produces lithium eluate, as denoted by the shaded areas of the diagram on **Figure 34** below. Brine recoveries were ~90%, with Mg levels reduced by 86%, Na by 91%, and sulphate ~94%.



Source: Summit Nanotech

Note: The Laguna Verde brine assessment investigated the process that produced lithium eluate (denoted by the shaded region).

Figure 34. Overview of Summit Nanotech's Process

2. Lilac Solutions ion exchange trial for Francisco Basin brine

Lilac Solutions completed initial test work on a brine sample from Francisco Basin. The sample contacted Lilac's ion exchange media for 6 hours with analysis performed on the starting brine and spent brine to determine the change in lithium concentration. The lithium recovery from the brine sample was 82% which is considered high for an initial trial run. Following lithium uptake, the media was then eluted using sulfuric acid to produce a lithium sulfate solution. The resulting sulfate solution was analysed using the ICP method to determine the concentrations of cations including Li, Na, Mg and Ca, with the results recorded in **Table 12**. This ion-exchange trial used a surface sample taken from Francisco Basin with a recorded grade of 847 mg/L lithium, which was concentrated over the 6-hour period to 3,000 mg/L lithium.

Table 12. Francisco Basin Brine Ion Exchange Trial Eluate Cation Concentrations

Cation	Francisco Basin brine acid eluate (mg/L)
Li	3,000
Na	1,000
Mg	470
Ca	270

Source: Lilac Solutions

3. SunResin trials of Francisco Basin brine

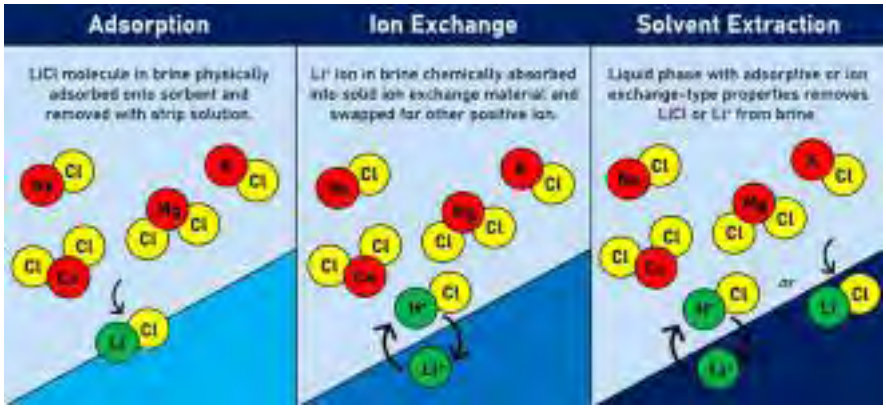
In addition to this, SunResin undertook a three-stage trial utilising surface samples collected from Francisco Basin (average 847 mg/L lithium) which went through the resin extraction stage, purification and concentration. At the end of the third stage the lithium concentration reached 20,000 mg/L. The trial provided data on probable reagent consumption, temperature range and water quality that will be used in refining future test work.

The test-work completed to date indicates the brine is geochemically amenable to DLE extraction. This supports the company's plan to complete laboratory scale test-work to produce a small volume of battery grade LCE, and then to scale the process up with pilot scale work that aims to produce 10 tons of LCE per month.

9.2 PLANNED DLE TEST WORK IN COOPERATION WITH BEYOND LITHIUM

CleanTech's strategy to progress DLE process test work has been to work with various potential partners, and to avoid being locked into working with any specific technology provider, as they typically aim to retain rights to the process technology via licensing. CleanTech selected a key partner Beyond Lithium, a Chilean-Argentina based DLE company which has provided DLE consulting services to many of the leading established lithium producers and emerging projects in the region. CleanTech entered into a cooperation agreement with Beyond Lithium in August 2021, which includes completing two stages of laboratory test-work and evaluation, and pilot plant. The process that Beyond Lithium develops for CleanTech's Projects is expected to be a patentable process, for CleanTech's projects is expected to be a patentable process, in which CleanTech will fund the patent application in return for ownership and/or control of licensing rights over the patent that are mutually beneficial to CleanTech and Beyond Lithium. CleanTech will also retain exclusivity in the use of the patented process or, if both parties agree to licensing the process to a third party, the license fee will be split 50:50 between Beyond Lithium and CleanTech.

Beyond Lithium will develop an adsorption based process for the Project's brines. Adsorption is one of the three categories of direct lithium extraction processes as depicted on **Figure 35**, whereby a resin or sorbent is used to physically absorb LiCl molecules onto the surface of the material, which is then stripped using water. Established lithium producer Livent has utilized an adsorption based DLE process for over two decades at its Hombre Muerto lithium production base in Argentina.



Source: Warren (2021)

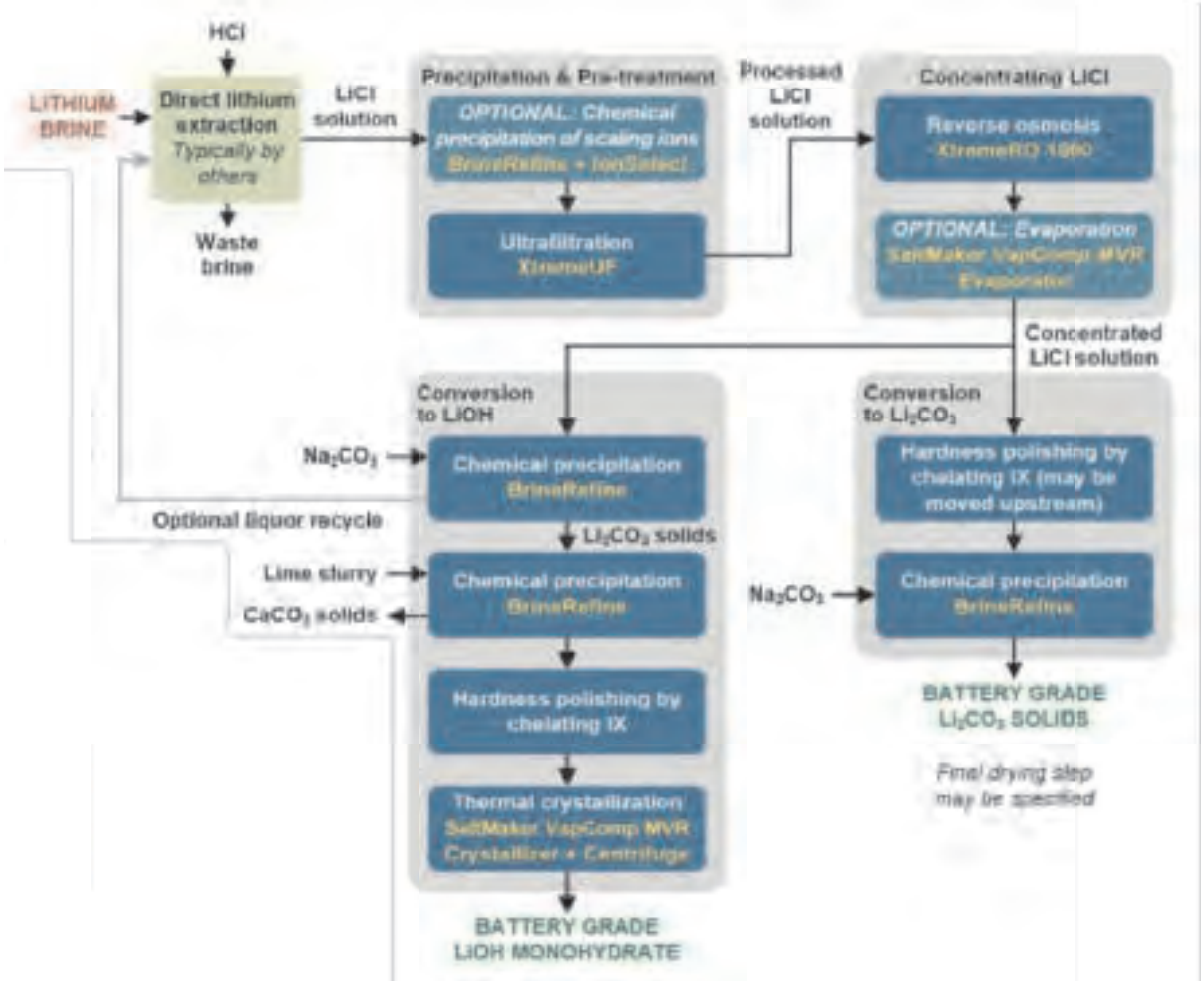
Figure 35. Direct Lithium Extraction Processes

Adsorption is the key lithium extraction stage of what is a multi-stage process to produce battery grade LCE. Beyond Lithium's process will follow the following five stages:

- STAGE 1 - Removal of divalent sulphates + 30% Ca & Mg (nano or ultrafiltration of particles, plus membranes cleaned);
- STAGE 2 - Selective adsorption for lithium (aluminate or manganese derived solvent);
- STAGE 3 - First concentration with reverse osmosis;
- STAGE 4 - Concentration with forced evaporation via steam boiler (using gas and electricity); or alternatively, an evaporation pool (25,000 tonnes per annum, requiring ~100 hectares); and
- STAGE 5 - Ionic exchange to remove traces of Ca, Mg and B.

An overview of the process flowsheet including all of these five stages is shown on **Figure 36**. This flowsheet shows that post the concentration of Lithium Chloride solution, there are

two separate routes to either produce Lithium Carbonate or Lithium Hydroxide as the final battery grade product.



Source: Saltworks

Figure 36. Direct Lithium Extraction Flowsheet

Under the cooperation agreement with Beyond Lithium the first stage of laboratory test work aims to define the process based on an initial selective adsorption trial on 60 liters of brine extracted from Laguna Verde. A volume of 1 kg of battery grade lithium is expected to be produced. On completion of the laboratory work, pilot plant construction will begin leading to the production of 10 tons per month of battery grade lithium product, as per the schedule provided on **Figure 37**.

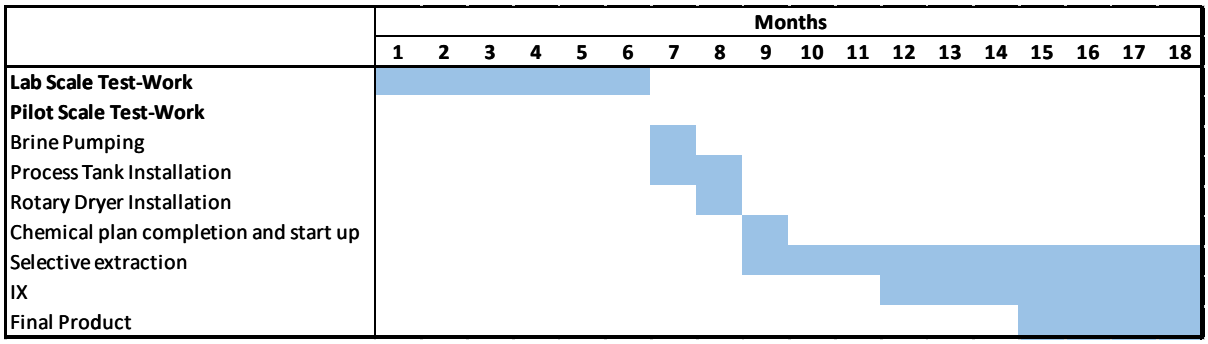


Figure 37. Work Schedule of Planned DLE Test Work with Beyond Lithium

The strategy of undertaking laboratory and pilot scale test work in order to de-risk the process flowsheet for a direct lithium extraction based project is a suitable plan.

10 PROJECT UPSIDE AND RISK

Currently, the CP believes that upside exists for the Projects, mostly because both concession areas are in extremely early stages of development. For the Laguna Verde area, subsurface drilling and sampling beneath the lake will help determine how much of the currently Inferred lithium resource will be able to be re-characterized as either an indicated or measured resource.

For the Francisco Basin area, drilling and sampling in the concession areas could result in an initial resource estimation for a fairly large lithium brine aquifer, assuming that the interpretations from the geophysical surveys are correct that a lithium-rich brine aquifer exists in the southern concessions south from the freshwater lake. We are confident that drilling in the brine lake area, if able to be permitted, will result in saturated brine aquifer conditions below the lake. Also for the Francisco Basin area, the lithium brine in the lake could be characterized in a similar way as was done for Laguna Verde area if a bathymetric study of the lake and grid sampling of the lake would be done.

Currently, Cleantech is planning exploration activities for both concession areas with the goal of increasing the lithium resource in the Laguna Verde area, and obtaining an initial lithium resource in the Francisco Basin area. In the opinion of the CP, we believe that the rewards outweigh the risks for the Projects with respect to lithium resource estimation. As of the writing of this CPR, the exploration phase required for estimating an economic reserve has not yet been discussed with the CP, but will likely be considered after results of the currently-planned exploration phases are completed. Developing an economic reserve will require pumping wells and a calibrated groundwater flow model, in addition to the other economic studies required to demonstrate economic feasibility and percent process efficiency of the lithium during production.

Risks to the Projects are not unique for lithium extraction projects in the high-altitude mountains of Chile. These include, but are not limited to the following:

- Insufficient quantities of lithium brine in the subsurface, resulting in marginal or non-economic conditions.
- Poor quality aquifer, making it difficult to extract the brine in the future, or requiring many low-flow extraction wells which could result in larger than expected capital and operating expenditures.
- Difficulty or delays in obtaining permits.
- Irreconcilable problems with the local communities, resulting in project cancellation or delays.
- Economic factors regarding the price of lithium in the global marketplace.
- Agreements regarding future extraction of brine are not in place with adjacent concession holders.

11 INTERPRETATION, CONCLUSIONS AND RECOMMENDATIONS

Overall, the CP's analyses of the works done to date indicates that the Project's concessions host a significant brine mineral resource and merits continued advancement and development. The following summary and conclusions were mostly documented in Feddersen (2021) for the Laguna Verde area, and by Kinnell (2018) for the Francisco Basin area. The CP has modified these based on his current understanding of the areas. Selected recommendations were taken from these reports and either modified or added to by the CP.

11.1 LAGUNA VERDE PROJECT

Laguna Verde is a hyper saline lagoon which is classified within the immature clastic salar classification. The Laguna Verde resource estimate is composed of two resource sources. One is the surface brine resource, formed by the brine volume of the surface lagoon and the other is the much larger sub-surface resource, formed by brine hosted in volcaniclastic sediments that are interpreted to lie beneath the lagoon.

The lake brine geochemical survey shows that the Li (mg/l) sample values are in general homogeneously distributed throughout the lake with a small standard deviation. The average lithium concentrations of the samples is 246 mg/l and Feddersen (2021) used this value for the measured and inferred lithium resource estimations.

The Geodatos (2021a) bathymetry survey calculated depth measurements ranging from 0.37 m to a maximum depth of 7.18 m. The data point depth average is 4.03 m. The author built a 3D model of the brine volume in the lake, using the bathymetry point data from Geodatos and a lakeshore perimeter digitized from World Imagery ArcGIS Map Service. The calculated volume based on this model is 59,490,027 m^3. Feddersen (2021) used this volume for the lithium brine resource estimation for the lake brine.

The Geodatos geophysical survey (TEM) shows a thick and consistent low resistivity layer beneath the lake. This layer is interpreted by Feddersen (2021) as sedimentary deposits saturated with highly-concentrated brines, and constitutes the main exploration target. A 3D model was built for the conductive geo-electric unit below 2 Ohm-m from this unit. The

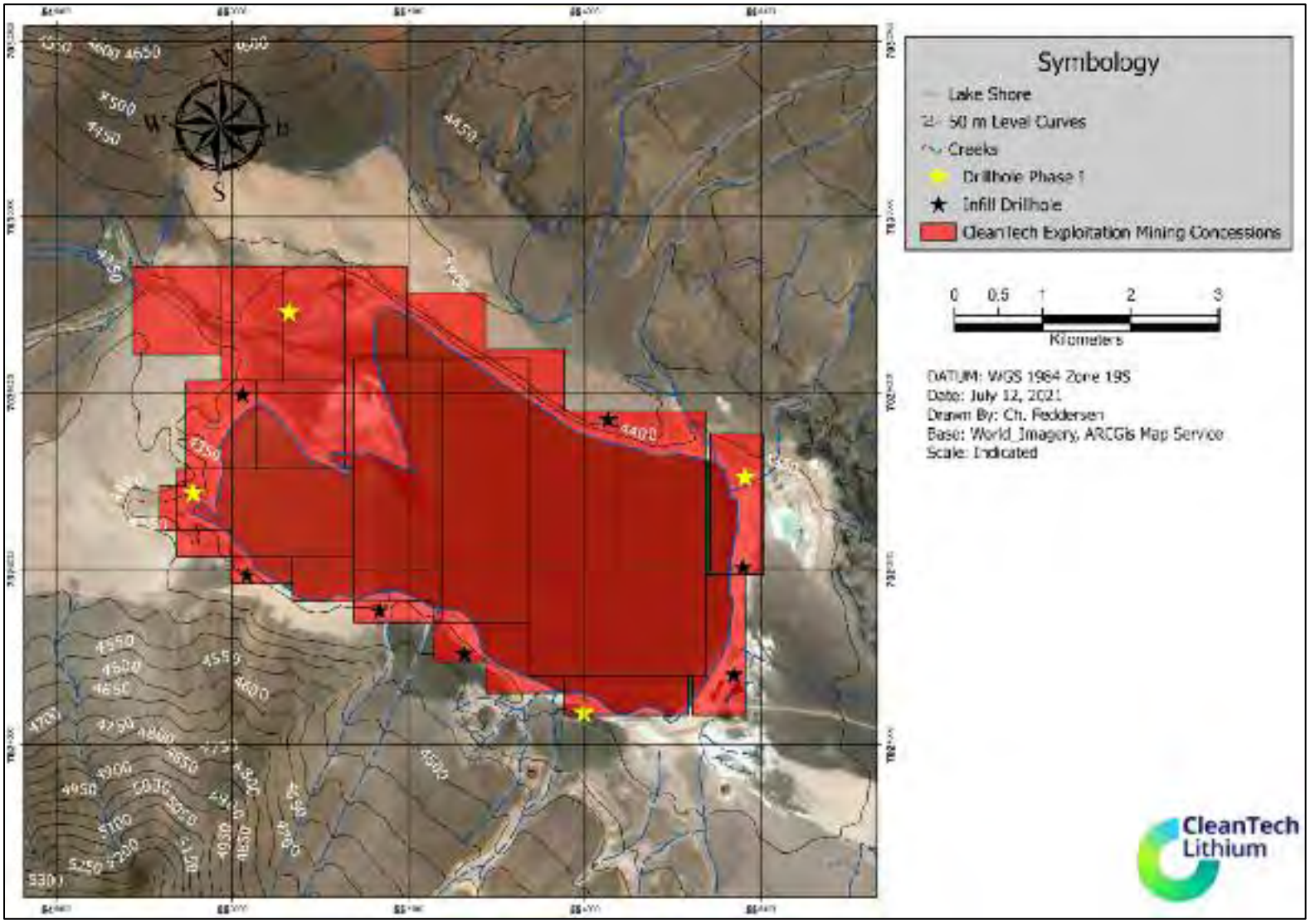
model is restricted to the lake area and continuity below the lake was assumed. The model calculates a sediment volume of 8.1 billion m^3.

The geological units beneath the lagoon are believed to correspond to a thin layer of moderately consolidated tuffs from Laguna Verde Ignimbrite over a thick bed of older coarse sands and gravels. These units are believed by Feddersen (2021) to have a moderate to high porosity, but because the hydrogeologic units have not been drilled, these assumptions are based on the geophysical survey and the sediments in the region. Feddersen (2021) assumed a specific yield value of 11% for the sub-surface resource volume for the resource calculation, which would represent the theoretical percentage of total brine that could be drained from the aquifer by gravity.

The results of the lake brine sampling program, the bathymetry and geophysical surveys in the lake area, and assumptions allowed estimation of the total lithium resources in Laguna Verde of a measured 77,834 metric tons of LCE for the surface brine resource, and an inferred 1,165,750 metric tons of LCE for the sub-surface resource.

To fulfill the above goal, it is recommended to start a Phase I drilling campaign, composed of four (4) angled drillholes located in the corners of the lake were the TEM profiles show resistivities below 1 Ohm-m (**Figure 38**). Locations for the proposed exploration drillholes may be adjusted. The drillholes should be angled to target the aquifer units beneath the lake as interpreted by the geophysical surveys.

The objectives of the Phase I campaign are to confirm the current resource model, obtain core for drainable porosity analysis, and obtain depth-specific brine samples using a double packer. Ultimately, the goal is to recharacterize some or all of the current inferred resource to either an indicated or measured resource. Is also recommended to start hydrogeological studies and environmental base lines for an Environmental Impact Study. Following this recommended phase of exploration drilling, a fresh water supply exploration program should commence once the freshwater processing demand is known.



Source: Feddersen, 2021)

Figure 8. Phase I and Infill Recommended Drillholes

11.2 FRANCISCO BASIN PROJECT

While the brine lake demonstrates the highest lithium concentration, the geophysical and geological interpretations indicate a basin of undetermined thickness, containing saturated sediments extending from beneath the lake southwards under the Negro Francisco plain toward Cleantech's southern concessions. The extension of this deeper saturated basin outside the area covered by the national park presents an attractive exploration target.

The 2018 brine sampling program has reconfirmed the presence of lithium enrichment within the northern brine lake. The recent TEM geophysics has identified a number of highly prospective areas of low resistivity, suggesting high salinity brines at depth. If there is a brine aquifer at depth in the southern concessions, the CP believes that there would be a reasonable expectation for elevated lithium concentrations as a result of density flow of brines in closed basin systems.

The Francisco Basin Project is a relatively large concession area, with initial stage reconnaissance work observing lithium enrichment making it potentially an attractive project. The recommended plan is to conduct exploration drilling and sampling on the Francisco Basin southern concessions, avoiding the brine lake located in the National Park. The southern concessions lie outside the park boundary.

If CleanTech chooses to pursue development of the brine lake resource, the CP recommends that a bathymetry study be done for the brine lake to help determine an initial lithium resource for the lake using the same methods are were employed for the Laguna Verde area.

11.3 CP RECOMMENDATIONS

The CP agrees with the recommendations provided previously by Kinnell (2018) and Feddersen (2021) as described above to further characterize the lithium brine for each Project. In addition, the CP recommends that the focus be on obtaining reliable depth-specific core and brine samples to allow for a reliable initial resource estimate for the Francisco Basin Project and for a measured categorization for the Laguna Verde Project.

Ultimately, following additional drilling exploration, if appropriate, additional pumping wells and a calibrated groundwater flow model should be prepared to estimate a lithium reserve for the Projects.

CleanTech's strategy for the progression of its assets is to continue exploration aimed at upgrading the current resource estimate at the Laguna Verde Project and to produce a maiden resource estimate for the Francisco Basin Project. At the same time, CleanTech is focused on progressing DLE test-work which will advance from laboratory scale work which aims to produce 1kg of battery grade lithium to the building of a pilot plant that will produce 10 tonnes per month of battery grade lithium.

Over the 18 month period from 1 January 2022, CleanTech has budgeted a total expenditure of approximately £8.7 million which covers overheads, land holding fees, IPO costs and the following key exploration activities and DLE test-work:

- Laguna Verde: **£ 920,000** for completing an initial four-hole programme of wide diameter RC and diamond drill holes. The drilling programme will proceed in two phases over the 2022 and 2023 drilling seasons with the first phase focused on upgrading the existing resource estimate which is classified as Inferred under the JORC code, into a Measured plus Indicated resource estimate. Both the wide diameter RC drilling method and the diamond drilling method provide the opportunity to install cased holes that can be pump tested, and ultimately converted to production wells or hydrogeological monitoring wells.

  The second phase of drilling in 2023 will comprise a larger number of holes and utilize various drilling methods in order to achieve a further upgrading of the resource category, installation of production wells and hydrogeological evaluation of the basin including brine re-injection. The second phase has not been budgeted at present as the final planning of the programme will be influenced by the results achieved in the first phase of work.

- Francisco Basin: **£ 1,140,000** for completing an initial four-hole programme using the same drilling methods as described for Laguna Verde. At the Francisco Basin the first phase of drilling will test the 10 – 15km^2 area identified by geophysics with the aim of establishing a maiden Inferred resource estimate at the project. Phase two in 2023 will focus on upgrading the resource estimate, installation of production wells and hydrogeological evaluation of the basin including brine re-injection.

- DLE test-work: **£ 2,153,000** for the completion of laboratory scale and pilot scale direct lithium extraction test-work. The laboratory scale test work is proceeding over a six-month period which aims to produce 1kg of battery grade lithium. The major component of this budget is the engineering and construction of a pilot scale plant, over a period of one year, that aims to produce 10 tonnes of battery grade lithium per month. This work will be undertaken by Beyond Lithium, a leading consultant in direct lithium extraction with whom CleanTech Lithium Ltd has entered the Cooperation Agreement. The process developed for the project is expected to be a patentable process and the Group will retain full rights to the patent. Pilot scale production will be a critical stepping stone on the path to becoming a commercial scale lithium producer.

- Environmental, permitting and feasibility studies: **£ 1,337,000** for completion of an environmental impact study and a subsequent application for an environmental permit; the completion of production permits for lithium which in Chile are called 'Special Operating Contracts for Lithium' known by the Spanish abbreviation of CEOL, which have been submitted for both projects in January 2022; and finally for the Laguna Verde project both a scoping study and pre-feasibility study have been budgeted for completion in 2022 and a final feasibility study has been scheduled in 2023.

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13 ABBREVIATIONS AND GLOSSARY

Abbreviation	Definition
a.s.l.	Above sea level
B	Boron
CIM	Canadian Institute of Mining
CP	Competent Person
CPR	Competent Person Report
CSA	Canadian Security Administrator
Ca	Calcium
cm	Centimeter
CONAF	Forest Corporation Chile (Corporación Nacional Forestal)
°	Degree
°C	Degree Celsius
cm	Centimeter
CORP	Corporation
D	Dimension (2D, 3D)
E	East
DLE	Direct Lithium Extraction
GPS	Global Positional System
g/cm^3	Gram per cubic centimeter (density)
ICP	Inductively Coupled Plasma
km	Kilometer
Km^2	Square Kilometer
K	Potash
Li	Lithium
LCE	Lithium Carbonate Equivalent
m	Meter
m^2	Square meter (area)
m^3	Cubic meter (volume)
Mg	Magnesium
mg/l	Milligrams per liter
mm	Millimeter
M+I	Measured plus Indicated
My	Million Years
’	Minute
%	Percentage
<	Less than
>	Greater than
N	North
Na	Sodium
NW	Northwest
NI 43-101	National Instrument 43-101

Ohm-m	Ohm per meter (resistivity)
PSAD56	Datum Provisional Sudamericano de 1956
QA/QC	Quality Assurance/Quality Control
Rx	Reception (TEM)
S	South
SAIC	Industrial and Comercial Anonymous Society (Sociedad Anónima Industrial y Comercial)
SE	Southeast
SERNAGEOMIN	National Geological and Mining Service, Chile (Servicio Nacional de Geología y Minería)
SO_4	Sulfate
TDS	Total Disolved Solids
TEM	Transient ElectroMagnetic
U.S.	United States of America
UTM	Universal Transverse Mercator
3D	Three Dimensional
4WD	Four Wheel Drive

Term	**Definition**
Alluvial Deposits	Clay, silt, sand, gravel, or other sediments that have been deposited by a stream or other body of flowing water in a streambed, on a flood plain, on a delta, or at the base of a mountain.
Andesitic Lava	A pale-coloured volcanic rock with 52%–63% of SiO_2.
Aquifer	A body of permeable rock which can contain or transmit groundwater.
Average Grade of Li	Concentration of Lithium in mg/liter considering calculation of average from all values.
Basaltic Lavas	Volcanic lavas that are enriched in Fe and Mg and very low in SiO_2.
Bathymetry	The measurement of wáter depth in an ocean or lake.
Brackish Water	Water with salinity higher than freshwater and lower than sea water.
Block Model	Digital three-dimensional model based on geometric figures to determined volume.
Brines	High salt concentration water deposits, mostly occurring in evaporitic systems.
Brine Lakes	Lakes mostly containing brine solutions.

Colluvial Deposits	Clay, silt, sand, gravel, or other sediments that have deposited by gravity on a foothill, on a flood plain or at the base of a mountain.
Consolidated	Sedimentary term meaning that sediments are cemented or compacted, and not loose.
Cretaceous	A period of geological time (65.5 million years ago to 145.5 million years).
Dacitic Domes	Geologic intrusive bodies with roundness shape on top and thin root toward the bottom, composed by high SiO2 and low alkaline minerals.
Dacitic Lavas	Geologic volcanic rock (lava flow) composed by high SiO2 and low alkaline minerals.
Dilution	Phenomena created naturally or artificially to decrease concentration of any element dissolved in a solution.
Eocene	A geological period from 34 to 56 million years ago.
Evaporitic Basin	Closed geographic basin filled with sediments where evaporation potential is larger than precipitation inflow.
Exploitation Concession	Mining property with rights to be commercially developed (Mensura).
Exploration Concession	Mining property with permission to investigate for mineral extraction (Pedimento).
Fault Escarpment	Geologic morphology produced by the movement of faults and creating lineaments of rocks above down dropped ground surface.
GEMS Model	Software developed by Dassault Systemes capable of contouring edges of polygons and calculate volumes.
Geo-electrical Unit	A geological unit defined by a range of electrical conductivity.
Graben	Geological morphology such a basin or a valley produced by two tectonics faults of expansion movements.
Gravimetry Study	Geophysical survey consisting in measuring strength of gravity to determine depth to bedrock.

Holocene	A geological period from about 11,650 years ago to present.
Ignimbrite	Volcanic rock produced during volcanic eruptions due to the welding of volcanic ash.
Inferred Resource	A mineral resource category developed with limited data available to estimate grade and volume. This category is the lowest ranking for estimated resources.
Immature Clastic Salar	A young salar produced in a closed basin consisting mostly of sediments from terrigenous origin.
JORC Standard	Australasian code for reporting of exploration results, mineral resources and ore reserves.
Lacustrine Sediments	Sediments formed in lakes or lagoons.
Lahar Deposits	Poorly-sorted sediments formed from mudo r debris flows on volcanoes.
Late Miocene	A geological Epoch from about 5 to 11 million years ago.
M&A	Montgomery and Associates hydrogeological consulting company.
Maricunga Salt Flat	A salar basin located in northern Chile.
Measured Resource	A mineral resource category developed with a large amount of good quality data available to estimate grade and volume. This category is the highest ranking for estimated resources.
MS PG	Master in Science University degree, Professional Geologist.
Normal Fault	Fracture in rocks where blockks have shifted vertically, and where one blocks moves downwards compared to the other.
NI 43-101	National instrument for the Standards of Disclosure for Mineral Projects within Canada; a codified set of rules and guidelines for reporting and displaying information related to mineral resources and reserves.
Outcrops	Consolidated rock that can be seen coming out at land surface.

Oligocene	A geological Epoch ranging from 23 to 34 million years ago.
Polymictic Gravel	Gravel with clasts from different origins.
Poorly Sorted Gravel	Gravel with clasts that are from different sizes.
Pyroclastic Deposits	Volcanic sedimentary deposits formed during eruption of volcanoes.
Pliocene	A geological Epoch ranging from 2.6 to 5.3 million years ago.
Pedimentos	Spanish term for an exploration mining concession.
Quaternary	A geological period from present to 2.6 million years ago.
Rhyolitic Pyroclastics	Volcanic clasts formed during eruptions with chemical composition very high in silica SiO_2.
Salinity	The concentration of dissolved mineral salts in water.
Specific Yield	The ratio of the volume of water that a saturated porous medium will yield by gravity drainage to the volume of the total saturated porous medium.
Stratovolcanoes	Conical shaped volcanoes formed from layers of lava from multiple eruptions.
SRK	SRK Consulting (Australasia) Pty Ltd.
Standard Deviation	A measure of how dispersed the data are in relation to the mean.
Tertiary	Geologic period from 2.6 to 65 million years ago.
Tuff Units	Geological term to describe volcanic ash rock deposits.
Volcanic Complexes	A series of several volcanoes

14 STATEMENT FOR CPR PREPARATION AND CONSENT STATEMENT

The CPR prepared by Michael Rosko of Montgomery & Associates provides a summary exploration works done to date for the Laguna Verde and Francisco Basin areas, evaluates the initial lithium resource estimation for Laguna Verde, and identifies related uncertainties and risks.

The CPR evaluates methods used for the Projects in accordance with the AIM Rules for Companies, including the "AIM Note for Mining, Oil and Gas Companies" (London Stock Exchange, 2009). To evaluate the lithium brine mineral resource, Montgomery applied standards of the Australasian Joint Ore Reserves Committee (JORC, 2012). In addition, the CPR applied standards from the Best Practice Guidelines for Lithium Brine (Houston and others, 2011) which is specific to lithium brines.

Using these standards and guidelines and owing to the fact that a lithium brine resource is liquid mineral resource and not a solid mineral resource, Montgomery evaluated a "static" lithium brine resource estimate for the Laguna Verde Project. These non-economic estimates are largely based on information supplied by Cleantech or their consultants, and also incorporate geological and geographical information from other publicly available reporting of the region. Information supplied by Cleantech was in the form of digital files stored in a virtual data room developed for the Projects.

Opinions presented in this report apply to the site conditions and features as they existed at the time of Montgomery's site visit and related reporting. These opinions do not necessarily apply to conditions and features that may arise after the date of this report by Montgomery. The author of the CPR or anyone else employed by Montgomery & Associates are not representatives or affiliates of any associated company with the Projects. Montgomery & Associates does not have any financial or other interests that could reasonably be regarded as capable of affecting their ability to provide an unbiased opinion in relation to the resource estimates of the Projects and results presented.

The Projects are still in an early phase of development, and additional efforts are still required to better understand the hydrogeological system associated with each basin. To better understand the economic potential for these areas, additional exploration has been recommended to allow for a more robust resource estimate for the Laguna Verde area, and for estimating an initial lithium resource for the Francisco Basin. That said, additional studies will also be required, including development of a calibrated groundwater flow model for each of the two areas, to estimate a lithium reserve. The groundwater flow models will be able to simulate future wellfield pumping and the potential future impacts that could occur as a result of long-term pumping. To develop a lithium reserve, this level of effort will be required, along with the many other elements required to demonstrate economic feasibility for the Projects.

We believe that the work and results documented in this report are acceptably correct and reasonable, and thereby consent to publication of this report.



Michael Rosko, MS PG (QP for this Project)
Montgomery & Associates Consultores Limitada

15 QUALIFICATIONS OF INDEPENDENT QUALIFIED PROFESSIONAL REVIEWER AND AUTHOR'S SIGNATURE PAGE

The CPR of the Cleantech's Projects has been prepared by Montgomery & Associate's Independent CP Michael J. Rosko, P.G., RM-SME. Mike is a Principal Hydrogeologist and General Manager for Montgomery's office in Santiago, Chile, and has worked for Montgomery for 35 years, leading and providing technical support for mining projects throughout the Andes and the southwestern United States and managing groundwater exploration programs and modeling investigations for prefeasibility and feasibility studies related to mining hydrogeology. For the past 12 years, Mike has led multiple hydrogeological investigations to characterize and estimate lithium brine resources and reserves and has served as an independent CP for many technical due diligence studies. These investigations have entailed preparing reports following NI 43-101 and JORC standards for technical reporting of brine mineral projects.

CP is an internationally recognised, independent hydrogeologist working for Montgomery & Associates Consultores Limitada and is not a sole practitioner. All consultants used in the preparation of the CPR are members in good standing of a recognised self-regulatory organisation of engineers and/or geoscientists, are employed directly by CP and have relevant professional experience.

Details of the principal consultants involved in the preparation of the CPR, who have at least five years' relevant experience in the estimation, assessment and evaluation of the type of mineral and mining deposits under consideration, are as follows:

- The CP is a Registered Member of the Society for Mining, Metallurgy and Exploration, member #4064687. The CP graduated from the University of Illinois with a Bachelor's degree in geosciences in 1983, and from the University of Arizona with a Master's degree in geosciences in 1986. The CP is a registered professional geologist in the states of Arizona (25065), California (5236), and Texas (6359).

- The CP has practiced his profession for 36 years, and has been directly involved in design of numerous exploration and production well programs in salar basins in support of lithium exploration, and estimation of the lithium resources and reserves for many other lithium projects in Argentina and Chile. As a result of my experience and qualifications, I am a Competent Person as defined in the JORC code.

Independence and interest

CP is independent of the Company, its directors, senior management and its advisers.

Neither Montgomery & Associates or its directors, employees or company associates have any commercial interest, either direct, indirect or contingent in the Group nor in any of the assets reviewed in this report nor hold any securities in the Company, its subsidiaries or affiliates nor have:

(i) received, directly or indirectly, any securities from the Company within the twelve months preceding the application for admission to AIM;
(ii) entered into contractual arrangements (not otherwise disclosed in the Admission Document) to receive, directly or indirectly, from it on or after admission any of the following:
   - fees totalling £10,000 or more;
   - securities in the Company where these have a value of £10,000 or more calculated by reference to the issue price or, in the case of an introduction, the expected opening price; or
   - any other benefit with a value of £10,000 or more at the date of Admission.

CP Remuneration

The only commercial interest CP has in relation to the Group is the right to charge professional fees to the Company at normal commercial rates, plus normal overhead costs, for work carried out in connection with the preparation of the CPR. The payment of fees to CP is in no way contingent upon conclusions contained in the CPR, or the value of the Company at Admission or on the success or otherwise of the Group's own business dealings, and CP will not be remunerated by way of a fee that is linked to Admission.

MONTGOMERY & ASSOCIATES

APPENDIX A

LABORATORY REPORT

MONTGOMERY & ASSOCIATES

INFORME DE ENSAYO: 68763/2021

Propuesta comercial: 14680/2021.1

Atacama Salt Lakes SpA

Estoril 50 - Las Condes - Santiago

Atención: Christian Feddersen

Análisis de Agua

Muestras recibidas el: 11/11/2021

Informe generado el 19/11/2021

Roberto Gutierrez Paredes
Jefe de Laboratorio
ALS Life Sciences Division | Latin America
Environmental Services

MONTGOMERY & ASSOCIATES

INFORME DE ENSAYO: 68763/2021

RESULTADOS ANALÍTICOS

Muestras del Ítem: 1

Nº ALS					**619951/2021-1.0**	**619952/2021-1.0**
Fecha de Muestreo					**05/10/2021**	**05/10/2021**
Hora de Muestreo					**10:47:00**	**14:00:00**
Tipo de Muestra					**Agua Superficial**	**Agua Superficial**
Identificación					**1**	**2**
Parámetro	**CM**	**Unidad**	**LD**	**LQ**	**Valores**	**Valores**
Sólidos Disueltos Totales	11075	mg/L	10	—	81100	227224
Fecha de Análisis	11075	—	—	—	12/11/2021 13:00	12/11/2021 13:00
Sulfato	11069	mg/L	5	—	3546	16703
Fecha de Análisis	11069	—	—	—	12/11/2021 13:00	12/11/2021 13:00
Plata (Ag)	11572	mg/L	0.010	—	0.011	<0.010
Aluminio (Al)	11572	mg/L	0.050	—	0.060	0.760
Arsénico (As)	11572	mg/L	0.050	—	26.7	57.9
Boro (B)	11572	mg/L	0.100	—	548.0	516.8
Bario (Ba)	11572	mg/L	0.010	—	0.148	0.782
Berilio (Be)	11572	mg/L	0.003	—	0.028	0.032
Bismuto (Bi)	11572	mg/L	0.200	—	<0.200	<0.200
Calcio (Ca)	11572	mg/L	0.050	—	884.6	811.0
Cadmio (Cd)	11572	mg/L	0.010	—	<0.010	<0.010
Cobalto (Co)	11572	mg/L	0.010	—	<0.010	0.042
Cromo (Cr)	11572	mg/L	0.010	—	0.122	0.245
Cobre (Cu)	11572	mg/L	0.010	—	0.130	0.267
Hierro (Fe)	11572	mg/L	0.050	—	<0.050	0.443
Potasio (K)	11572	mg/L	0.050	—	5.08	4.77
Litio (Li)	11572	mg/L	0.010	—	369.3	466.5
Magnesio (Mg)	11572	mg/L	0.100	—	2490	5504
Manganeso (Mn)	11572	mg/L	0.005	—	<0.005	0.355
Molibdeno (Mo)	11572	mg/L	0.050	—	0.359	<0.050
Sodio (Na)	11572	mg/L	2.500	—	5700	10600
Níquel (Ni)	11572	mg/L	0.050	—	<0.050	<0.050
Fósforo (P)	11572	mg/L	0.500	—	1.103	5.243
Plomo (Pb)	11572	mg/L	0.050	—	0.053	0.179
Antimonio (Sb)	11572	mg/L	0.200	—	<0.200	<0.200
Selenio (Se)	11572	mg/L	0.200	—	<0.200	<0.200
Silicio (Si)	11572	mg/L	0.050	—	36.05	50.70
Estaño (Sn)	11572	mg/L	0.020	—	<0.020	0.105
Estroncio (Sr)	11572	mg/L	0.005	—	25.37	49.91
Titanio (Ti)	11572	mg/L	0.010	—	0.020	0.031
Talio (Tl)	11572	mg/L	0.010	—	0.024	0.041
Vanadio (V)	11572	mg/L	0.050	—	0.060	0.137
Zinc (Zn)	11572	mg/L	0.030	—	0.075	0.093
Fecha de Análisis	11572	—	—	—	12/11/2021 17:00	12/11/2021 17:00
Densidad Rad	16810	g/cm3	—	—	1.055	1.167
Fecha de Análisis	16810				12/11/2021 17:00	12/11/2021 17:00

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INFORME DE ENSAYO: 68763/2021

REFERENCIAS DE LOS MÉTODOS DE ENSAYO

(*)Parámetros fuera del alcance de acreditación

CN	Sede	Parámetro	Método de Referencia	Laboratorio
18810	SCL	(*)Densidad Real	THOMPSON Y. TROCH. DE Los suelos y su relación 2002. Editorial Alfaomega S.A. Cuarta Edición. Paga 75-85.	SCL - Inorgánico
11572	SCL	(*)Metil Tert Butil Éter (MTBE)	QWI-ID-104-265 01 Edición A, Modificación 0 EPA 8000A, EPA 8260 C	SCL - Metales
11573	SCL	Cianuro Disuelto-Total(s) WR&MA SM 4500-C Ed 22, 2012	QWI-ID-107-01 Edición B, modificación 1 SM 4500-CN- Ilitral Edición 2012	SCL - Inorgánico
11699	SCL	Sulfato en Residuos Agua WR&MA SM 4500 SO4-E Ed 22, 2012	QWI-ID-5011-01 Edición B, modificación 0 SM 4500-SO4- E Ilitral Edición 2012	SCL - Inorgánico

COMENTARIOS

LD = Límite de detección
LC = Límite de cuantificación
Los Límites de Detección y de Cuantificación para muestras indicadas en el presente documento, fueron determinados experimentalmente mediante las validaciones de cada método analítico, según lo indicado en el instructivo QWI-AM-24 "Validación de Métodos".
cabe indicar, que Límites pueden variar dependiendo de la interferencias propias de cada Matriz.
CM = Código interno del Método de Análisis de ALS Life Sciences Chile S.A.

ANT: El Volcán N°7764, Antofagasta, Chile
SCL: Avda. Hermanos Carrera Pinto N° 159 Parque Industrial Los Libertadores Colina - Santiago de Chile
"EPA": U.S. Environmental Protection Agency
"SM": "Standard Methods for the Examination of Water and Wastewater"
"Nch": Norma Chilena.
"QWI": Procedimiento interno.
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Los resultados contenidos en este informe de ensayo sólo son válidos para las muestras analizadas.

FIN DEL REPORTE

PART V

CORPORATE GOVERNANCE

As a company which will be admitted to trading to AIM, the Company is not required to comply with a particular corporate governance code. However, it is required to provide details of the corporate governance code it has decided to apply and state how it will comply with that code.

The Directors support high standards of corporate governance and have decided to comply with the QCA Code. Set out below are details of how the Company will comply with the QCA Code with effect from Admission.

Principle 1: Establish a strategy and business model which promote long-term value for shareholders

The Group's business model and strategy is set out in Part I of this document. The Board will hold at least one session each year dedicated to strategy, which will include input from senior members of the Company and any necessary external advisers. A strategic report reflecting the outcome of such sessions will be included in the Company's annual report and accounts.

The principal risks facing the Group are set out in Part II of this document. The Board will identify and deploy mitigation steps to manage these risks and confront day-to-day challenges of the business post-Admission. See in addition, Principle 4 below.

Principle 2: Seek to understand and meet shareholder needs and expectations

The Board is committed to open and ongoing engagement with the Company's Shareholders. The Board will communicate with Shareholders through:

- the annual report and accounts;
- the interim and full-year results announcements;
- trading updates (where required or appropriate);
- the annual general meetings; and
- the Company's investor relations website (in particular, the "RNS News" and "AIM Rule 26" pages).

From Admission, the Chief Financial Officer will be the primary contact for Shareholders and there will be a dedicated e-mail address for shareholder questions and comments.

Regular meetings will be held between the Chief Executive Officer, Chief Financial Officer and institutional investors and analysts to ensure that the Company's strategy, financials and business developments are communicated effectively.

The Board intends to engage with Shareholders who do not vote in favour of resolutions at annual general meetings to understand their motivation.

Principle 3: Take into account wider stakeholder and social responsibilities and their implications for long-term success

The Group takes its corporate social responsibilities very seriously and is focused on maintaining effective working relationships across a wide range of stakeholders including employees, the local communities in which it operates, local and national government, existing and new customers, academics and its advisory group that it collaborates with as part of its business strategy, in order to achieve long-term success.

The Executive Directors will maintain an ongoing dialogue with stakeholders to inform strategy and the day-to-day running of the business.

Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation

The principal risks facing the Group and the industry in which it operates are set out in Part II of this document. These risks will be reviewed at least once a year and included in the annual report and accounts.

The Company currently operates a risk framework including a risk register that is managed by the Chief Financial Officer. The risk register is intended to be signed off annually by the Board and included in the annual report and accounts. The Chief Executive Officer and Audit and Risk Committee intend to review the risk register regularly throughout the year.

Principle 5: Maintain the board as a well-functioning, balanced team led by the chair

On Admission, the Board will comprise four directors:

- Steve Kesler and Jonathan Morley-Kirk as Non-Executive Directors; and
- Aldo Boitano and Gordon Stein as Executive Directors.

The biographies of the Directors are provided in paragraph 12 of Part I of this document.

Steve Kesler and Jonathan Morley-Kirk are considered by the Board to be independent Non-Executive Directors and were selected with the objective of bringing experience and independent judgement to the Board.

The Board has been constructed to ensure that it has the right balance of skills, experience, independence and knowledge of the business.

The Board is also supported by the Audit and Risk Committee and the Remuneration Committee. Details of these committees are set out in paragraph 14 of Part I of this document.

The Board will meet regularly and at least six times a year. Processes are in place to ensure that each member of the Board is, at all times, provided with such information as is necessary for him/her to discharge his/her duties.

The Group is satisfied that the current Board is sufficiently resourced to discharge its governance obligations on behalf of all stakeholders. Notwithstanding this, the Board intends to appoint an additional independent non-executive director to the Board in due course.

Principle 6: Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities

The skills and experience of the Directors are summarised in their biographies set out in paragraph 12 of Part I of this document.

The Directors believe that the Board has the appropriate balance of diverse skills and experience in order to deliver on its core objectives. The Board is not dominated by one individual and all Directors have the ability to challenge proposals put forward to the meeting, democratically. The Directors have also received a briefing from the Company's Nominated Adviser in respect of continued compliance with, inter alia, the AIM Rules and the Company's Solicitors in respect of continued compliance with, inter alia, UK MAR.

Principle 7: Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

The Chairman is responsible for ensuring an effective Board. Post-Admission, the Company intends to establish a formal process for evaluating the performance of the Board, the committees, and the individual Directors against its objectives to ensure that members of the Board provide relevant and effective contribution.

Principle 8: Promote a corporate culture that is based on ethical values and behaviours

The Group promotes a culture of integrity, honesty, trust and respect and all employees of the Group are expected to operate in an ethical manner in all of their internal and external dealings. The staff handbook and policies will promote this culture and include such matters as whistleblowing, social media, anti-bribery and corruption, communication and general conduct of employees.

The Board takes responsibility for the promotion of ethical values and behaviours throughout the Group, and for ensuring that such values and behaviours guide the objectives and strategy of the Company.

Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision-making by the board

The Independent Non-Executive Chair leads the Board and is responsible for its governance structures, performance and effectiveness. The Non-Executive Directors are responsible for bringing independent and objective judgement to Board decisions. The Chief Financial Officer is the primary contact for the Company's Shareholders and is responsible for ensuring that the link between the Board and the shareholders is strong and efficient. The Executive Directors are responsible for the operation of the business and delivering the strategic goals agreed by the Board.

The Board is supported by the Audit and Risk Committee and the Remuneration Committee. Details of these committees and their responsibilities are set out in paragraph 14 of Part I of this document. From time to time, separate committees may be set up by the Board in order to consider and address specific issues, as and when they arise.

The Board intends to review the governance framework on an annual basis to ensure it remains effective and appropriate for the business going forward.

Principle 10: Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Company intends to use the following principal methods of communication with its Shareholders:

- the annual report and accounts;
- the interim and full-year results announcements;
- trading updates (where required or appropriate);
- the annual general meetings; and
- the Company's investor relations website (in particular, the "RNS News" and "AIM Rule 26" pages which will go live on Admission).

The Company's website is updated on a regular basis with information regarding the Group's activities and performance. The Company's reports, presentations, notices of annual general meetings, and results of voting at shareholder meetings will also be made available on the website.

PART VI

ADDITIONAL INFORMATION

1. Responsibility Statement

1.1 The Directors, whose names and functions are set out on page 8 of this document, and the Company accept responsibility, both individually and collectively, for all the information contained in this document, and compliance with the AIM Rules for Companies. To the best of the knowledge and belief of the Directors and the Company (each of whom has taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

1.2 The Competent Person accepts responsibility for its report set out in Part IV of this document and for any information sourced from the CPR in this document. To the best of the knowledge and belief of the Competent Person (who has taken all reasonable care to ensure that such is the case) the information contained therein is in accordance with the facts and contains no omission likely to affect its import.

2. The Company

2.1 The Company was incorporated and registered under the name CleanTech Lithium (Jersey) Ltd as a private limited company in Jersey on 1 December 2021 with registered number 139640, and reregistered to a public limited company on 20 January 2022, and took on its existing name, CleanTech Lithium PLC on 2 February 2022. The liability of the members of the Company is limited to the amount (if any) of unpaid shares. The Company has an unlimited life unless it is wound up, declared en désastre or enters into any reconstruction, amalgamation or merger into, or is continued as, another entity in accordance with Jersey Companies Law.

2.2 The principal legislation under which the Company operates, and under which its securities and the Placing Shares are and will be issued, is the Jersey Companies Law and the regulations made thereunder.

2.3 The Company's principal activity is that of a holding company. It is the ultimate parent company of the Group comprising the Company and the subsidiary undertakings set out in paragraph 2.4 of this Part VI. Further details of the history and background of the Company and the Group are set out in paragraph 1 of Part I of this document.

2.4 As at the date of this document, the Company has, and will on Admission have, the following subsidiary undertakings, all of which are directly or indirectly wholly-owned:

Name of company	Country of incorporation	Ownership
CleanTech Lithium Ltd	England and Wales	Wholly owned by the Company
Chilean Lithium Salars Holdings Ltd*	Australia	Wholly owned by CleanTech Lithium Ltd
Chilean Lithium Salars Pty Ltd*	Australia	Wholly owned by Chilean Lithium Salars Holdings Ltd
CLS Chile SPA	Chile	Wholly owned by CleanTech Lithium Ltd
Laguna Negro Francisco SpA	Chile	Wholly owned by CleanTech Lithium Ltd
Atacama Salt Lakes SpA	Chile	Wholly owned by CleanTech Lithium Ltd
Laguna Escondida SpA	Chile	Wholly owned by CleanTech Lithium Ltd
Atacama Tierras Blancas SpA	Chile	Wholly owned by CleanTech Lithium Ltd
Laguna Brava SpA	Chile	Wholly owned by CleanTech Lithium Ltd

* Chilean Lithium Salars Holdings Ltd and Chilean Lithium Salars Pty Ltd (the "**Australian Subsidiaries**"), are in the process of being dissolved and once this process has completed will not form part of the Group. The dissolution of the Australian Subsidiaries is expected to complete prior to the end of Q1 2022. It is further intended that Laguna Escondida SpA, Atacama Tierras Blancas SpA, and Laguna Brava SpA will be dissolved in due course.

2.5 The registered office of the Company is located at de Carteret House, 7 Castle Street, St Helier, Jersey JE2 3BT. The Company's telephone number is +44 1534 668 321.

2.6 The Company's website address is www.ctlithium.com.

3. Share Capital of the Company

3.1 As at the date of this document and immediately following Admission, the issued and fully paid up share capital of the Company is, and will be, as follows:

	Number of Ordinary Shares issued and credited as fully paid	Aggregate nominal value (£)
As at the date of this document	60,366,575	603,665.75
immediately following Admission	79,033,242	790,033.24

3.2 On incorporation the issued share capital of the Company was £0.02 divided into two ordinary shares of £0.01 each. The initial subscribers were Jonathan Morley-Kirk and Aldo Boitano.

3.3 No changes to the share capital of the Company have taken place from incorporation to the date of this document, except that on 14 February 2022, 60,366,573 Ordinary Shares were issued to the shareholders of CleanTech Lithium Ltd as consideration for the acquisition of CleanTech Lithium Ltd by the Company.

3.4 By virtue of shareholder resolutions passed on 14 February 2022:

3.4.1 the Directors were generally and unconditionally authorised pursuant to Article 2.3 of the Articles to exercise all the powers of the Company to allot shares in the capital of the Company and to grant rights to subscribe for or to convert any security into shares in the capital of the Company (together, "**Relevant Shares**") up to 300,000,000 Relevant Shares, comprising:

(a) up to an aggregate nominal amount of £500,000 in connection with the Placing;

(b) up to an aggregate nominal amount of £603,665.73 in connection with the issue and allotment of Relevant Shares pursuant to (inter alia) the Share Exchange Agreement; and

(c) up to an aggregate nominal value equal to one third of the Company's Enlarged Share Capital, and

such authorisations, unless renewed, varied or revoked by the Company in general meeting, shall expire at the conclusion of the Company's next annual general meeting, save that the Company may, at any time before such expiry, revocation or variation, make offers or enter into such agreements which would or might require Relevant Shares to be allotted (or rights to be granted) after such expiry, variation or revocation, and the Directors may allot Relevant Shares in pursuance of any such offer or agreement as if such authority had not expired been revoked or varied, and

3.4.2 to empower the Directors pursuant to Article 2.11 of the Articles, to allot Shares (as defined in the Articles) pursuant to the authorities referred to in paragraph 3.4.1 of this Part VI, as if the rights of pre-emption set out in Article 2.4 of the Articles did not apply to the allotment of Shares:

(a) up to an aggregate of nominal amount of £500,000 if connection with the Placing; and

(b) the allotment (otherwise in connection with the matters referred to in sub-paragraph 3.4.2(a) of this Part VI, up to an aggregate nominal amount equal to 20 per cent. of the aggregate nominal amount of the Company's Enlarged Share Capital,

provided that such authorisation would, unless previously renewed, revoked or varied by special resolution, expire at the conclusion of the Company's next annual general meeting, save that the Company may, at any time before such expiry, revocation or variation, make offers or enter into such agreements which would or might require Shares to be allotted (or

rights granted) after such expiry, revocation or variation, and the Directors may allot Shares (or grant rights) in pursuance of any such offer or agreement as if such authority had not expired been revoked or varied.

3.5 Each Placing Share will rank in full for all dividends and distributions declared made or paid after their issue and otherwise *pari passu* in all respects with each Existing Ordinary Share and will have the same rights (including voting and dividend rights and rights on a return of capital).

3.6 Save as disclosed in this Part VI, since 31 December 2021 (being the date of the most recent balance sheet included in Part III of this document) (other than pursuant to the Placing):

3.6.1 no share or loan capital of the Company is under option or is the subject of an agreement, conditional or unconditional, to be put under option;

3.6.2 no share or loan capital of the Company has been issued, or is now proposed to be issued, fully or partly paid, either for cash or other consideration to any person;

3.6.3 no person has any preferential subscription rights for any share capital of the Company;

3.6.4 no commissions, discounts, brokerages or other special terms have been granted by the Company in connection with the issue or sale of any share or loan capital of the Company;

3.6.5 neither the Company nor any other member of the Group holds any of the Ordinary Shares;

3.6.6 the Company has no convertible debt securities, exchangeable debt securities or debt securities with warrants in issue; and

3.6.7 there are no acquisition rights or obligations over the authorised but unissued share capital of the Company and there is no undertaking to increase the share capital of the Company.

3.7 The Ordinary Shares are in registered form and may be held either in certificated form or in uncertificated form through CREST. The Articles permit the Company to issue shares in uncertificated form.

3.8 No shares of the Company are currently in issue with a fixed date on which entitlement to a dividend arises and there are no arrangements in force whereby future dividends are waived or agreed to be waived.

3.9 Save for the options to be granted under the Share Option Agreements and the Warrants, the Company does not have in issue any securities not representing share capital.

3.10 There are no issued but not fully paid Ordinary Shares.

3.11 Other than pursuant to the Placing, the Ordinary Shares are not being marketed or being made available to the public in whole or in part in conjunction with the application for Admission.

3.12 The Ordinary Shares have not been admitted to dealing on any recognised investment exchange or other trading facility, nor has any application for such admission been made and it is not intended to make any arrangements for dealings in the Ordinary Shares on any such exchange other than the application to be made in connection with Admission.

3.13 The Company has the contractual capacity of a natural person and is empowered to borrow, guarantee and give security.

4. Summary of the Significant Differences Between the Act and Jersey Companies Law

4.1 There are a number of differences between the Act (which is the principal English company law legislation) and the Jersey Companies Law (which is the principal Jersey company law legislation). The main differences include (but are not limited to) the following:

(a) the Jersey Companies Law does not confer statutory pre-emption rights on shareholders relating to new share issues, however, the Articles contain certain pre-emption rights;

(b) under the Jersey Companies Law the directors do not need the sanction of the shareholders to issue and allot shares, however, the Articles require authorities to be given to the directors in respect of certain share issues;

(c) the Jersey Companies Law allows for partly paid shares to be allotted by a public company even if they are not paid up to at least one quarter of its nominal value;

(d) under the Act a special resolution requires a three-fourths majority, whereas under the Jersey Companies Law the threshold can be set (in the Articles) at any threshold so long as it is at least a two-thirds majority. The Articles require special resolutions to be passed by a three-fourths majority;

(e) the Jersey Companies Law does not provide for the members of a Jersey company representing a specified percentage of the total voting rights or constituting a certain number to be able to require publication on a company's website of a statement setting out any matter relating to the audit of its accounts or any circumstances concerned with an auditor ceasing to hold office;

(f) any increase in the authorised share capital of a company requires a company to amend its memorandum of association, which in turn requires a special resolution under the Jersey Companies Law;

(g) in the context of takeover offers, the Jersey Companies Law includes provisions similar to those existing under English law in relation to schemes of arrangement, and in relation to the compulsory acquisition of shares following a tender offer, including the voting or acceptance thresholds (as the case may be) required to effect the same. In addition, the Jersey Companies Law permits two or more companies (which need not all be Jersey incorporated companies) to merge to form one successor company. In the case of any company incorporated in Jersey, any such merger is subject to approval by its board of directors and to approval by special resolution of the company (and, where applicable, by special resolution of each class of shares where there is more than one class of shares in issue), in addition to certain other substantive and procedural requirements;

(h) the circumstances under which the Jersey Companies Law permits a Jersey company to indemnify its directors in respect of liabilities incurred by the directors in carrying out their duties are limited, albeit in a slightly different manner to English companies under the Act;

(i) under the Jersey Companies Law there is no general prohibition on the granting of loans by a company to its directors (but directors remain subject to fiduciary duties when considering the grant of any such loans) and any costs incurred in defending any proceedings which relate to anything done or omitted to be done by that director in carrying out his duties may be funded by way of loans;

(j) the Jersey Companies Law does not require that shareholders approve compensation payments made to directors for loss of office, whereas under the Act, a payment by a company for loss of office to a director (or a person connected to such director) of a company or its holding company must be approved by a resolution of shareholders; however, the relevant Act provisions have been incorporated into the Articles;

(k) the Jersey Companies Law does not require the directors of a Jersey company to disclose to the company their beneficial ownership of any shares in the company (although they must disclose to the company the nature and extent of any direct or indirect interest which conflicts, or may conflict to a material extent with, a transaction into which the company or any of its subsidiaries is proposing to enter);

(l) the Jersey Companies Law does not grant the directors of a Jersey company a power to request information concerning the beneficial ownership of shares, however, provisions similar to Rule 5 of the DTRs has been incorporated into the Articles which permits the directors to request such disclosure in the relevant circumstances;

(m) the Jersey Companies Law does not confer on members the right to an independent scrutiny of a poll taken, or to be taken, at a general meeting, nor does it confer rights on

members to require a company to circulate resolutions proposed to be moved by members at the next annual general meeting, or to circulate explanatory statements relating to any matter regarding a proposed resolution at a general meeting, or rights for a nominee holder of shares to have the same information rights granted to the underlying beneficial owner of the share, however, provisions have been inserted into the Articles to give these rights to the shareholders;

(n) there is no restriction on donations by a company to political organisations under the Jersey Companies Law (but directors remain subject to fiduciary duties when considering making any donation);

(o) under the Jersey Companies Law, the circumstances under which a shareholder may bring a derivative claim against a company may be more limited than is the case under English law. However, the Jersey Companies Law includes an equivalent provision to the Act relating to protection of shareholders against unfair prejudice and in this respect Jersey has (subject to certain exceptions) a broadly similar position under customary law to the common law position under English law. The English common law on derivative claims is considered persuasive in Jersey and if a shareholder could satisfy the relevant requirements such action could be brought;

(p) under the Jersey Companies Law, the two procedures for dissolving a Jersey company are winding up and désastre. Concepts such as receivership, administration and voluntary arrangements do not exist under the Jersey Companies Law. The concept of a winding up is broadly similar to that under English law, except that under the Jersey Companies Law, a solvent winding up may only be commenced by the Jersey company and not by one of its creditors. If the company is solvent the winding up will be a summary winding up. If the company is insolvent, the winding up will be a creditors' winding up;

(q) a creditor wishing to dissolve a Jersey company would need to seek to have the company's property declared en désastre (literally meaning "in disaster") by the Jersey court. If the company's property is declared en désastre, all of the powers and property of the company (whether present or future and whether situated in Jersey or elsewhere) are vested in the Jersey Viscount (an officer of the court). The role of the Viscount is similar to that of a liquidator. The Viscount's principal duty is to act for the benefit of the company's creditors. He is not under an obligation to call any creditors' meetings, although he may do so;

(r) the Jersey Companies Law does not contain restrictions on substantial property transactions equivalent to those contained in the Act;

(s) pursuant to the Jersey Companies Law, and subject to the Directors being able to make the required solvency statement, a Jersey company may make a distribution from any source (other than nominal capital account and capital redemption reserve) whereas under the Act distributions generally may only be made from distributable reserves;

(t) the Jersey Companies Law permits the incorporation of companies with no par value shares; and

(u) the Jersey Companies Law does not provide a statutory right to shareholders to remove directors, however, a right to remove directors by ordinary resolution has been included in the Articles.

4.2 The above summary is intended to be illustrative only and does not purport to be exhaustive or to constitute legal advice. Any Shareholder wishing to obtain further information regarding their rights as a shareholder of the Company under the Jersey Companies Law should consult Jersey legal advisers.

5. Articles of Association

5.1 ***General***

5.1.1 The Articles, which were adopted by the Company by special resolution on 20 January 2022 and are available to download at the Company's website, www.ctlithium.com, contain certain provisions, the material provisions of which are set out below. This is a description

of significant rights and does not purport to be complete or exhaustive. Certain provisions have been incorporated into the Articles to enshrine rights that are not conferred by the Jersey Companies Law, but which the Company believes investors would expect to see in a company with a listing on AIM.

5.1.2 Under the Jersey Companies Law, the capacity of a Jersey company is not limited by anything contained in its memorandum or articles of association or by any act of its members. Accordingly, the Company has unrestricted objects.

The Articles contain provisions, among others, to the following effect:

5.2 ***Meetings of Members***

5.2.1 An annual general meeting of the Company shall be held at least once in every calendar year. Not more than 18 months may elapse between one annual general meeting and the next. The Board may call general meetings (other than annual general meetings) whenever and at such times and places as it shall determine and, on the requisition of members pursuant to the provisions of the Jersey Companies Law and the Articles.

5.2.2 An annual general meeting shall be called by at least 21 clear days' notice. All other general meetings shall be called by at least 14 clear days' notice. Subject to the provisions of the Articles and to any restrictions imposed on any shares, the notice of a general meeting or annual general meeting shall be given to all the members, to the persons entitled to a share in consequence of the death, bankruptcy or incapacity of a member, to each of the directors and the auditors for the time being of the Company. The notice shall specify the time, date and place of the meeting, if the meeting is to be held in two or more places, the technology that will be used to facilitate the meeting, the general nature of the business to be transacted and, if a resolution is proposed as a special resolution, the text of that special resolution. In the case of an annual general meeting, the notice shall also specify that the meeting is an annual general meeting. The accidental omission to give notice of a meeting, or to send a form of proxy with a notice where required by the Articles, to any person entitled to receive the same, or the non-receipt of a notice of meeting or form of proxy by any person, shall not invalidate the proceedings of that meeting. Where notice of a general meeting is published on a website, accidental publication in a different place on the website, or for part only of the period from the date of the notification until the conclusion of the meeting to which the notice relates, shall not invalidate the proceedings of that meeting.

5.2.3 The directors may from time to time make such arrangements for the purpose of controlling the level of attendance as they shall in their absolute discretion consider appropriate.

An instrument appointing a proxy shall be in any common form or in any other form approved by the directors. A member may appoint more than one proxy to attend on the same occasion.

5.3 ***Voting Rights***

5.3.1 Unless their shares carry no right to vote, or unless a call or other amount presently payable has not been paid, all members are entitled to vote at a general meeting, whether on a show of hands or a poll, and all members holding shares of a particular class are entitled to vote at a meeting of the holders of that class of shares.

5.3.2 On a show of hands, every member who is entitled to vote shall have one vote. An individual who represents two or more members, including a member in that individual's own right, shall be entitled to a separate vote for each member.

5.3.3 On a poll a member who is entitled shall have one vote for each share he holds, unless any share carries special voting rights.

5.3.4 A fraction of a share carrying the right to vote shall entitle its holder to an equivalent fraction of one vote.

5.3.5 No member is bound to vote all his shares or any of them; nor is he bound to vote each of his shares in the same way.

5.4 ***Alteration of Capital***

To the fullest extent permitted by the law, the Company may by special resolution do any of the following:

5.4.1 increase its share capital by amending its memorandum of association in the manner prescribed by the resolution;

5.4.2 consolidate and divide all or any of its shares;

5.4.3 convert all or any of its paid up shares into stock, and reconvert that stock into paid up shares of any denomination;

5.4.4 sub-divide its shares or any of them, including, in respect of any sub-division, so that the proportion between the amount paid and the amount, if any, unpaid on each sub-divided share shall be the same as it was in case of the share from which the sub-divided share is derived; and the resolution may determine that, as between the shares resulting from the sub-division, one or more of the shares may, as compared with the others, have such preferred, deferred or other special rights, or be subject to such restrictions as the Company has power to attach to unissued or new shares;

5.4.5 cancel shares which, at the date of the passing of the resolution to cancel them, have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled or, in the case of shares without nominal par value, diminish the number of shares into which its capital is divided; and

5.4.6 convert all or any of the shares denominated in a particular currency into shares denominated in a different currency, the conversion being effected at the rate of exchange (calculated to not less than three significant figures) current at the date of the resolution being a time within 10 (ten) clear days before the conversion takes effect.

5.5 ***Variation of Rights***

If the share capital is divided into different classes of shares then, unless the terms on which a class of shares was issued state otherwise, the rights attaching to a class of shares may only be varied if the members holding three quarters of the issued shares of that class consent in writing to the variation or the variation is made with the sanction of a special resolution passed at a separate general meeting of the members holding the issued shares of that class. At every such separate general meeting, the above provisions relating to general meetings apply, mutatis mutandis, except that the necessary quorum shall be one or more persons holding or representing by proxy not less than one quarter of the issued shares of the class and any member holding issued shares of the class, present in person or by proxy or, in the case of a corporate member, by its duly authorised representative, may demand a poll.

5.6 ***Purchase of Own Shares***

Subject to the Jersey Companies Law, the Company may purchase any of its own shares of any class (including redeemable shares) and may hold its own shares as treasury shares, which the directors may sell, transfer or cancel in accordance with the Jersey Companies Law.

5.7 ***Transfer of Shares***

5.7.1 Any member may transfer all or any of his certificated shares in any manner which is permitted by the Jersey Companies Law (and every other stature, statutory instrument, regulation or order for the time being in force concerning companies registered under the Jersey Companies Law) and is from time to time approved by the Board.

5.7.2 Any member may transfer uncertificated shares in accordance with the Uncertificated Securities Order, to another person by completing an instrument of transfer, in a common form or in a form approved by directors, executed by or on behalf of that member (where

the shares are fully paid) and by or on behalf of the transferee (where the shares are partly paid).

5.7.3 The Board may, in its absolute discretion, refuse to register any transfer of an uncertificated share where permitted by the Articles, the Jersey Companies Law and the Uncertificated Securities Order.

5.7.4 The Board may, in its absolute discretion, refuse to register any instrument of transfer of a certificated share:

(a) on which the Company has a lien;

(b) which is not fully paid up but, in the case of a class of shares which has been admitted to AIM or a regulated market within the European Economic Area, not so as to prevent dealings in those shares from taking place on an open and proper basis; or

(c) in respect of which a disclosure notice has been issued and not responded to (see below).

5.7.5 The directors may suspend registration of any transfer of shares at such times and for such periods (not exceeding 30 days) as they determine.

5.8 ***Dividends and Other Distributions***

The Company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the Board. The Board may pay interim dividends if it appears that they are justified by the financial position of the Company.

Except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. All dividends shall be apportioned and paid proportionately to the amount paid up on the shares during the time or part of the time in respect of which the dividend is paid. But if a share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly. If a dividend cannot be paid to a member or remains unclaimed within six weeks after it was declared or both, the directors may pay it into a separate account in the Company's name. If a dividend is paid into a separate account, the Company shall not be constituted trustee in respect of that account and the dividend shall remain a debt due to the member. A dividend that remains unclaimed for a period of ten years after it became due for payment shall be forfeited to, and shall cease to remain owing by, the Company.

If the directors so determine, any resolution determining a dividend may direct that it shall be satisfied wholly or partly by the distribution of assets or the issue of shares.

5.9 ***Distribution of Assets on a Winding Up***

5.9.1 If the Company is wound up, the liquidator or directors, as the case may be, may do either or both of the following (subject to any other sanction required by law):

(a) divide in specie amount the members, the whole or any part of the assets of the Company and, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members;

(b) vest the whole or any part of the assets in trustees for the benefit of the members and those liable to contribute to the winding up.

5.9.2 No member shall be compelled to accept any assets if an obligation attaches to them.

5.10 ***Disclosure of Interests in Shares – General***

5.10.1 The Company may give a notice (a "**disclosure notice**") to any person whom it knows or has reasonable cause to believe is either: (i) interested in the Company's shares; or (ii)

has been so interested at any time during the three years immediately preceding the date on which the disclosure notice is issued.

5.10.2 The disclosure notice may require the person:

(a) to confirm that fact or (as the case may be) to state whether or not it is the case; and

(b) if he holds, or has during that time held, any such interest, to give such further information as may be required.

5.10.3 The disclosure notice may require the person to whom it is addressed to give particulars of his own present or past interest in the shares held by him at any time during the three year period.

5.10.4 If the holder of, or any person appearing to be interested in, any share has been served with a disclosure notice and, in respect of that share (a "**disclosure default share**"), has been in default for the relevant period in supplying to the Company the information required by the disclosure notice, the restrictions referred to below shall apply. Those restrictions shall continue until:

(a) the date seven days after the date on which the Board is satisfied that the default is remedied; or

(b) the Company is notified that the disclosure default share(s) are the subject of an exempt transfer; or

(c) the Board decides to waive those restrictions, in whole or in part.

5.10.5 The restrictions referred to above are as follows:

(a) if the disclosure default shares in which any one person is interested or appears to the Company to be interested represent less than 0.25 per cent. of the issued shares of the class, the holders of the disclosure default shares shall not be entitled, in respect of those shares, to attend or to vote, either personally or by proxy, at any general meeting or at any separate general meeting of the holders of any class of shares, or to exercise any other right conferred by membership in relation to meetings of the Company; or

(b) if the disclosure default shares in which any one person is interested or appears to the Company to be interested represent at least 0.25 per cent. of the issued shares of the class, the holders of the disclosure default shares shall not be entitled, in respect of those shares (i) to attend or to vote, either personally or by proxy, at any general meeting or at any separate general meeting of the holders of any class of shares, or to exercise any other right conferred by membership in relation to meetings of the Company; or (ii) to receive any payment by way of dividend or other distribution and no share shall be allotted in lieu of payment of a dividend or other distribution; or (iii) (subject to the Jersey Companies Law and the Uncertificated Securities Order) to transfer or agree to transfer any of those shares or any rights in them.

5.10.6 The restrictions above shall not prejudice the right of either the member holding the disclosure default shares or, if different, any person having a power of sale over those shares to sell or agree to sell those shares under an exempt transfer.

5.10.7 An exempt transfer in relation to any share is a transfer pursuant to:

(a) a sale of the share on a recognised investment exchange in the United Kingdom on which shares of that class are listed or normally traded; or

(b) a sale of the whole beneficial interest in the share to a person whom the Board is satisfied is unconnected with the existing holder or with any other person appearing to be interested in the share; or

(c) acceptance of a takeover offer.

5.11 ***Disclosure of Interests in Shares – DTR5 and AIM Rules***

If at any time the Company has a class of shares admitted to AIM, the provisions of Chapter 5 of the DTRs will be deemed to be incorporated by reference into the Articles, applied as if the Company were an "issuer" and not a "non-UK issuer" as defined under such rules. In accordance with these rules, Shareholders will be required to notify the Company if the voting rights attached to shares held by them (subject to some exceptions) reach, exceed or fall below 3 per cent. and each 1 per cent. threshold thereafter up to 100 per cent.

5.12 ***Directors***

5.12.1 Unless otherwise determined by ordinary resolution, the minimum number of directors shall be two. There is no maximum number of directors.

5.12.2 The Company may by ordinary resolution elect any person to be a director.

5.12.3 To be elected, or re-elected as a director at any general meeting, a person must be (i) recommended by the board or (ii) not less than seven nor more than 42 days before the date appointed for the meeting there has been given to the Company, by a Member (other than the person to be proposed) entitled to vote at the meeting, notice of his intention to propose an ordinary resolution for the election of that person.

5.12.4 Every resolution of a general meeting for the election of a director shall relate to one named person and a single resolution for the election of two or more persons shall be void, unless a resolution that it shall be so proposed has been first agreed to by the meeting without any vote being cast against it.

5.12.5 The Board may appoint any person who is willing to act to be a director, either to fill a vacancy or by way of addition to their number.

5.12.6 At the first annual general meeting of the Company all of the directors for the time being shall retire from office and at every subsequent annual general meeting, any director appointed by a resolution of the Board since the previous annual general meeting or for whom the third annual general meeting following the last annual general meeting at which he was appointed or re-appointed, shall retire but shall be eligible for re-appointment.

5.12.7 The Board may appoint one or more directors to hold any executive office under the Company (including that of chairman, chief executive or managing director) for such period (subject to the Jersey Companies Law) and on such terms as it may decide and may revoke or terminate any appointment so made without prejudice to any claim for damages for breach of any contract of service between the director and the Company. The remuneration of a director appointed to any executive office shall be fixed by the Board and may be by way of salary, commission, participation in profits or otherwise and either in addition to or inclusive of his remuneration as a director. A director appointed as executive chairman, chief executive or managing director shall automatically cease to hold that office if he ceases to be a director but without prejudice to any claim for damages for breach of any contract of service between him and the Company.

5.13 ***Directors' Powers***

Subject to the Jersey Companies Law, the Articles and any directions given by special resolution, the business of the Company shall be managed by the directors who may for that purpose exercise all powers of the Company.

6. The City Code, Mandatory Bids and Squeeze-Out Rules

6.1 ***Mandatory Bids***

6.1.1 The Company is incorporated in Jersey, the Channel Islands, and application will be made for the Enlarged Share Capital to be admitted to trading on AIM. The City Code applies to all companies which have their registered office in the UK, the Channel Islands or the Isle of Man, and whose securities are traded on a regulated market in the UK or a stock

exchange in the Channel Islands or Isle of Man or a multilateral trading facility. Accordingly, the City Code will apply to the Company while its shares are traded on AIM.

6.1.2 Under Rule 9 of the City Code, if an acquisition (whether by a series of transactions over a period of time or not) of Ordinary Shares were to increase the aggregate holding of the acquirer and its concert parties to Ordinary Shares carrying 30 per cent. or more of the voting rights in the Company, the acquirer (and, depending on the circumstances, its concert parties, if any) would be required except with the consent of the Panel, to make a general offer for the Ordinary Shares not already owned by the acquirer and its concert parties.

6.2 Similarly, this requirement would also be triggered by an acquisition of shares by a person holding (together with its concert parties, if any) Ordinary Shares carrying between 30 per cent. and 50 per cent. of the voting rights in the Company if the effect of such acquisition were to increase the percentage of the aggregate voting rights held by that person and its concert parties.

6.3 An offer under Rule 9 must be in cash or be accompanied by a cash alternative and at the highest price paid by the person required to make the offer, or any person acting in concert with him, for any interest in Ordinary Shares during the 12 months prior to the announcement of the offer.

6.4 Under the City Code, a concert party arises where persons who, pursuant to an agreement or understanding (whether informal or formal), co-operate to obtain or consolidate control of a company or to frustrate the successful outcome of an offer for a company. "**Control**" means a holding, or aggregate holdings, of shares carrying 30 per cent. or more of the voting rights of the company, irrespective of whether the holding or holdings give *de facto* control.

6.5 ***Squeeze-out***

The Jersey Companies Law provides that, where a person (the "**Offeror**") makes a takeover offer to acquire all the shares (or all the shares in any class) in a Jersey company (other than any shares already held by the Offeror at the date of the offer), if the Offeror has, by virtue of acceptance of the offer, acquired or contracted to acquire not less than 90 per cent. in nominal value of the shares (or class of shares) (in the case of a par value company) or number of the shares (or class of shares) (in the case of a no par value company) to which the offer relates, the Offeror may (subject to the requirements of the Jersey Companies Law), by notice to the holders of the shares (or class of shares) to which the offer relates which the Offeror has not already acquired or contracted to acquire, compulsorily acquire those shares. A holder of any shares who receives a notice of compulsory acquisition may (within six weeks from the date on which such notice was given) apply to the Jersey court for an order that the Offeror not be entitled and bound to purchase the holder's shares or that the Offeror purchase the holder's shares on terms different to those of the offer.

6.6 ***Statutory Tag-along Provisions***

The Jersey Companies Law permits a minority shareholder to require an offeror to acquire its shares if the offeror has acquired or contracted to acquire shares in a Jersey company which amount to not less than 90 per cent. in value of all the voting shares in a Jersey company and carry not less than 90 per cent. of the voting rights. Certain time limits apply to this entitlement. If a shareholder exercises its rights under these provisions, the offeror is bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

7. Interests of the Directors

7.1 The following table sets out the interests of the Directors and their families (within the meaning set out in the AIM Rules for Companies) (including any interest known to that Director which could with reasonable diligence be ascertained by him or her) in the issued share capital of the Company as at the date of this document and immediately following Admission:

Name	As at the date of this document: No. of Ordinary Shares	As at the date of this document: % of existing Ordinary Shares	Immediately following Admission: No. of Ordinary Shares	Immediately following Admission: % of Enlarged Share Capital
Aldo Boitano	9,400,002	15.57%	9,400,002	11.89%
Gordon Stein	441,371	0.73%	608,037	0.77%*
Steve Kesler	350,000	0.58%	350,000	0.44%
Jonathan Morley-Kirk	340,000	0.56%	340,000	0.43%

**Including 166,666 Ordinary Shares subscribed for by Mr Stein pursuant to the Placing.*

7.2 The following table sets out details of the options held over Ordinary Shares by the Directors and certain of the Group's senior management as at the date of this document:

Name	No. of Ordinary Shares under option	Date of grant	Expiry date	Exercise price per Ordinary Share
Aldo Boitano	1,300,000	18 February 2022	18 February 2025	£0.36
Gordon Stein	300,000	18 February 2022	18 February 2025	£0.36
Luke Jarvis	1,100,000	18 February 2022	18 February 2025	£0.36
Jason Baverstock	1,100,000	18 February 2022	18 February 2025	£0.36
Dermot Boylan	200,000	18 February 2022	18 February 2025	£0.36

7.3 There are no outstanding loans granted or guarantees provided by the Company to, or for the benefit of, any of the Directors.

7.4 Save as otherwise disclosed in this document, no Director has any interest, whether direct or indirect, in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company taken as a whole and which was effected by the Company since its incorporation and which remains in any respect outstanding or under-performed.

7.5 Save as disclosed in this paragraph 7, none of the Directors or any person connected with a Director (within the meaning of section 252 to 255 of the Act) has any interest, whether beneficial or non-beneficial, in the share capital of the Company or any of its subsidiaries or is interested in any related financial product referenced to the Ordinary Shares (being a financial product whose value is, in whole or in part, determined directly or indirectly by reference to the price of the Ordinary Shares, including a contract for difference or a fixed odds bet).

8. Directors' Service Agreements and Letters of Appointment

8.1 The Directors have been appointed to the offices and roles set out against their respective names below. The service agreements and letters of appointment summarised below are each between the respective Director and the Company.

8.2 ***Executive Directors***

8.2.1 Pursuant to an agreement dated 1 January 2022, Aldo Boitano is employed by the Group as Chief Executive Officer. Mr Boitano will be paid a base salary of £121,000 per annum. In addition, Mr Boitano is entitled to a payment of £12,000 per annum for services provided as a director of the Company under separate agreement. The Group may in its absolute discretion pay to Mr Boitano a bonus of such amount, at such intervals and subject to such conditions as it may in its absolute discretion determine from time to time. Mr Boitano's employment commencement date for the purposes of his continuous employment is 1 January 2022. In addition to the usual conduct-related termination rights, the service agreement entitles Mr Boitano or the Company to terminate his employment on six months' notice (following an initial 12 month term). Mr Boitano's service agreement contains confidentiality undertakings which apply for an indefinite period following termination of employment, or until such time any such confidential information or knowledge may come into the public domain other than through unauthorised disclosure. In addition Mr Boitano's service agreement contains prohibitions on competing, soliciting and dealing with customers, poaching employees and interfering with relationships with suppliers which apply for a period of up to six or nine months (as applicable) following termination of employment.

8.2.2 Pursuant to an agreement dated 1 February 2022, Gordon Stein is employed by the Group as Chief Financial Officer. Mr Stein will be paid a base salary of £114,000 per annum. In addition, Mr Stein is entitled to a payment of £12,000 per annum for services provided as a director of the Company under separate agreement. The Company may in its absolute discretion pay to Mr Stein a bonus of such amount, at such intervals and subject to such conditions as it may in its absolute discretion determine from time to time. Mr Stein's employment commencement date for the purposes of his continuous employment is 1 February 2022. In addition to the usual conduct-related termination rights, the service agreement entitles Mr Stein or the Company to terminate his employment on six months' notice (following an initial 12 month term). Mr Stein's service agreement contains confidentiality undertakings which apply for an indefinite period following termination of employment, or until such time any such confidential information or knowledge may come into the public domain other than through unauthorised disclosure. In addition Mr Stein's service agreement contains prohibitions on competing, soliciting and dealing with customers, poaching employees and interfering with relationships with suppliers which apply for a period of up to six or nine months (as applicable) following termination of employment.

8.3 ***Non-Executive Directors***

8.3.1 Pursuant to a letter of appointment with the Company dated 1 January 2022, Steve Kesler has been appointed as a non-executive director of the Company. The appointment is for an initial term of twelve months (any term renewal is subject to Board review and re-election at the next annual general meeting) but is terminable earlier by either side giving six months' notice at any time after the initial twelve month period. The fee payable to Mr Kesler will be £48,000 per annum with an anticipated time commitment of two days per month.

8.3.2 Pursuant to a letter of appointment with the Company dated 1 January 2022, Jonathan Morley-Kirk has been appointed as a non-executive director of the Company. The appointment is for an initial term of twelve months (any term renewal is subject to Board review and re-election at the next annual general meeting) but is terminable earlier by either side giving six months' notice at any time after the initial twelve month period. The fee payable to Mr Morley-Kirk will be £36,000 per annum with an anticipated time commitment of two days per month.

9. Additional Information on the Directors

9.1 Other than in respect of the Company, the names of all companies and partnerships of which the Directors have been a director or partner at any time in the five years preceding the date of this document (and indicating whether they are current or former) are set out below:

Name	Current directorships/partnerships	Former directorships/partnerships
Aldo Boitano	Chilean Lithium Salars Pty Ltd Chilean Lithium Salars Holdings Pty Ltd CleanTech Lithium Ltd Atacama Salt Lakes SpA CLS Chile SpA Laguna Escondida SpA	Electra SpA International Leadership Association Inc. Executive Development SpA Egreen Chile SpA

Name	Current directorships/partnerships	Former directorships/partnerships
Gordon Stein	CleanTech Lithium Ltd Newcastle Consortium Supporters Ltd Zephyr Energy plc Kaezen Ltd Kaelo Technology Ltd Kaelo Ltd Kaelo Manufacturing Ltd Bookham Energy Services Ltd	Columbus Energy Resources South America BV (Netherlands) Columbus Energy (St Lucia) Ltd Columbus Energy Services Ltd Columbus Energy Resources South America BV (Suriname) Columbus Energy Resources plc Goudron E&P Ltd Leni Trinidad Ltd LGO Trinidad Holdings Ltd Ajax Oil & Gas Ltd Madagascar Oil SA* Madagascar Oil (UK) Limited*
Steve Kesler	Cedarland SL	Cedarland Consulting Ltd ECM Lithium AT GmbH ECM Lithium AT Operating GmbH European Lithium Ltd (BVI) European Lithium AT (Investments)
Jonathan Morley-Kirk	Bluebird Merchant Ventures Ltd Amala Foods PLC Northglen Opportunities Fund Cal FX 20 Fund Slater Feeder Fund PCC Limited Global Biotechnology Transfer Foundation Limited Fox-Davies Capital Holdings Jersey Ltd Fox-Davies Capital (DIFC) Limited Northglen Capital SPC - Northglen Aggressive SP Tarragona Assets Ltd The British Honey Company plc Lorton Media Fund	National Aquaculture Centre Limited Alchemac Limited SRJ Technologies REMOVE Fox-Davies Capital Limited Free Trade Barter (UK) Limited (now known as Ubecorp Limited) Nyota Minerals Limited EastSiberian PLC Ocana Enterprises Ltd Cross Border Capital Inc

* Mr Stein tendered his resignation as a director of all Madagascar Oil group companies when he ceased to work for the group in October 2016 and accordingly considers his engagement ended then. However, it appears that some filings may have been made at a later date.

9.2 Save as disclosed in paragraphs 9.3 and 9.4 of this Part VI, none of the Directors has:

9.2.1 any unspent convictions in relation to indictable offences;

9.2.2 been or is the subject of any bankruptcy order made against him or her or been the subject of any form of individual voluntary arrangements;

9.2.3 been a director of a company which has been placed in receivership, compulsory liquidation, creditors voluntary liquidation, administration, been subject to a company voluntary arrangement or any composition or arrangement with its creditors generally or any class of its creditors while he or she was a director of that company or within the 12 months after he or she ceased to be a director;

9.2.4 been a partner in any partnership which has been placed in compulsory liquidation or administration or been the subject of a partnership voluntary arrangement or where the assets of any such partnership have been subject of a receivership while he was a partner in that partnership or within the 12 months after he or she ceased to be a partner in that partnership;

9.2.5 been the owner of any asset or been a partner in any partnership which owned any asset which while he or she owned that asset, or while he or she was a partner or within the 12 months after he or she ceased to be a partner in the partnership which owned the asset, which has at any time been the subject of a receivership;

9.2.6 been the subject of any public criticism and/or investigation by any statutory or regulatory authority (including recognised professional body); or

9.2.7 ever been or is disqualified by a court from acting as a director of any company or from acting in the management or conduct of the affairs of any company.

9.3 Mr Stein was a director of Acorn North Sea Limited ("**ANSL**") from July 2001 to 25 October 2006. ANSL went into administration in June 2005 with the administrator ceasing to act on 15 June 2006, when ANSL was acquired by one of its parent company's investors in agreement with the creditors. No actions were taken against any of the ANSL directors by the administrators arising from their formal report. The company was ultimately dissolved via voluntary strike-off on 5 October 2011.

9.4 Jonathan Morley-Kirk was censured and fined £500 by the Institute of Chartered Accountants of England and Wales ("**ICAEW**") on 13 September 2016 for not having a practice certificate whilst a director of NT ADA Ltd ("**NT ADA**") for the period from 12 February 2015 to 21 October 2015, a company registered in the Netherland Antilles. Mr Morley-Kirk was appointed as a non-executive director of NT ADA. Whilst under investigation from the ICAEW, Mr Morley-Kirk applied for, and obtained, a practice certificate. There was one other director who was not a member of ICAEW. He was thus not fined or censured in any way by ICAEW. The Jersey Financial Services Commission took no action against Mr Morley-Kirk or the other director as it was only a breach of ICAEW rules according to ICAEW. NT ADA had no new clients since 2013 and no physical offices or online presence. It also had no anticipation for further income and was in the process of being closed down. It was not in practice according to Mr Morley-Kirk. The ICAEW stated that Mr Morley-Kirk could appeal the decision which he declined due to the cost of an appeal. Mr Morley-Kirk resigned from membership ICAEW after the fine was paid. The ICAEW, on 7 July 2017, invited Mr Morley-Kirk to re-join. He declined to do so.

9.5 Save as disclosed in this document, none of the Directors has or have had any personal interest in transactions which are or were unusual in their nature or conditions and which are or were significant to the business of the Company and which were effected by any member of the Company in the current or immediately preceding financial year or which were effected during an earlier financial year and which remain in any respect outstanding or unperformed.

9.6 No loans made or guarantees granted or provided by any member of the Company to or for the benefit of any Director are outstanding and there are no loans or guarantees provided by any of the Directors for the Company or its wholly-owned subsidiaries.

10. Significant Shareholders

10.1 Save as disclosed in paragraph 7 of this Part VI, the Company is only aware of the following persons who, as at the date of this document and immediately following Admission, are or will be immediately following Admission interested (within the meaning used in Chapter 5 of the DTRs) directly or indirectly, jointly or severally, in 3 per cent. or more of the Company's issued share capital or could exercise control over the Company:

Name	As at the date of this document: Number of Ordinary Shares	As at the date of this document: Percentage of existing Ordinary Shares	Immediately following Admission: Number of Ordinary Shares	Immediately following Admission: Percentage of Enlarged Share Capital
Jason Baverstock	10,000,001	16.57%	10,000,001	12.65%
Aldo Boitano	9,400,002	15.57%	9,400,002	11.89%
*Regal Emerging Companies Opportunities Fund and Regal Emerging Companies Funds 111 (together the "**Regal Funds**")	5,500,000	9.11%	7,366,666	9.32%
Timothy Grahame Leslie (Tim Leslie)	5,000,000	8.28%	6,666,666	8.44%
Luke Jarvis	4,000,000	6.63%	4,000,000	5.06%
Argonaut Investments Pty Ltd and Argonaut Partners Pty Limited (together "**Argonaut**")	3,500,000	5.80%	3,500,000	4.43%
**Kevin Johnson	1,300,000	2.16%	1,300,000	1.64%

* The Regal Funds are two separate funds, each of which are managed by the same investment manager, being Regal Funds Management Pty Limited (ACN 107 576 821).

** Kevin Johnson is a director of Argonaut and holds his Ordinary Shares through Beelong Pty Ltd and Reyne Nominees Pty Ltd.

10.2 Save as disclosed in paragraph 10.1 of this Part VI, the Company is not aware of any person who directly or indirectly, jointly or severally, exercises or could exercise control over the Company and none of the Company or any of the Directors is aware of any arrangement the operation of which may at a subsequent date result in a change of control of the Company.

10.3 None of the Directors nor any persons named in paragraph 10.1 of this Part VI has voting rights which are different to those of other Shareholders.

11. Employees

Set out below is a table showing the number of employees or contractors employed by the Group, broken down by country, as at the end of each financial year covered by the historical financial information.

31 December 2018	31 December 2019	31 December 2020
3	2	2

12. Employee Share Options

The Company has also entered into certain share option agreements dated 18 February 2022 with the Executive Directors and some of the senior management of the Group (the "**Share Option Agreements**") under which certain options have been granted as at the date of this document. The Share Option Agreements are in each case conditional upon Admission, and shall be exercisable at any time, in whole or in part, prior to the third anniversary of the date of Admission. The Ordinary Shares under option shall in each case be exercisable at 36 pence per share, being the price equal to 120 per cent. of the Placing Price.

There are currently options over a total of 4,000,000 Ordinary Shares that have been granted pursuant to the Share Option Agreements. Paragraph 7.2 of this Part VI above provides details of the options held over Ordinary Shares by the Executive Directors and certain of the senior management pursuant to the Share Option Agreements as at the date of this document.

13. Warrants

The Company has granted the following Warrants to Fox-Davies:

(a) On 11 March 2022, the Company executed the Fox-Davies Pre-IPO Warrant Instrument, pursuant to which the Fox-Davies Pre-IPO Warrants were constituted. Each Fox-Davies Pre-IPO Warrant shall confer the right, exercisable on the terms and subject to the conditions set out in the instrument, to purchase one Ordinary Share at 20 pence per Ordinary Share.

Pursuant to the terms of the Fox-Davies Pre-IPO Warrant Instrument, the Fox-Davies Pre-IPO Warrants can be exercised at any time from and including the date of the grant up until 31 December 2026. The Fox-Davies Pre-IPO Warrants are freely transferable and are not subject to any vesting conditions.

Pursuant to the Fox-Davies Pre-IPO Warrant Instrument, if on the date of exercise of any Fox-Davies Pre-IPO Warrants, the Ordinary Shares are either admitted to trading on AIM or to the Official List, the Company shall use its reasonable endeavours to obtain admission to trading on AIM or listing (as the case may be) of the Ordinary Shares which are to be allotted on the exercise of such Fox-Davies Pre-IPO Warrants, within five business days after allotment of the Ordinary Shares.

The Fox-Davies Pre-IPO Warrant Instrument provides for certain provisions in relation to protection of warrantholders, including (but not limited to) anti-dilution protection and protection in the event of winding-up of the Company.

(b) On 11 March 2022, the Company executed the Fox-Davies Warrant Instrument, pursuant to which the Fox-Davies Warrants were constituted. Each Fox-Davies Warrant shall confer the right, exercisable on the terms and subject to the conditions set out in the instrument, to purchase one Ordinary Share at the Placing Price.

Pursuant to the terms of the Fox-Davies Warrant Instrument, the Fox-Davies Warrants can be exercised at any time from and including the date of the grant up until the fifth anniversary of Admission. The Fox-Davies Warrants are freely transferable and are not subject to any vesting conditions.

Pursuant to the Fox-Davies Warrant Instrument, if on the date of exercise of any Fox-Davies Warrants, the Ordinary Shares are either admitted to trading on AIM or to the Official List, the Company shall use its reasonable endeavours to obtain admission to trading on AIM or listing (as the case may be) of the Ordinary Shares which are to be allotted on the exercise of such Fox-Davies Warrants, within five business days after allotment of the Ordinary Shares.

The Fox-Davies Warrant Instrument provides for certain provisions in relation to protection of warrantholders, including (but not limited to) anti-dilution protection and protection in the event of winding-up of the Company.

(c) On 11 March 2022, the Company executed the Fox-Davies Advisory Warrant Instrument, pursuant to which the Fox-Davies Advisory Warrants were constituted. Each Fox-Davies Advisory Warrant shall confer the right, exercisable on the terms and subject to the conditions set out in the instrument, to purchase one Ordinary Share at the Placing Price.

Pursuant to the terms of the Fox-Davies Advisory Warrant Instrument, the Fox-Davies Advisory Warrants can be exercised (subject to vesting) at any time from and including the date of the grant up until the fifth anniversary of Admission. The Fox-Davies Advisory Warrants are freely transferable and shall vest in the following proportions:

(a) 25 per cent. shall vest on Admission;

(b) 25 per cent. shall vest upon the Company's volume weighted average share price being 50 per cent. higher than the Placing Price for five consecutive trading days;

(c) 25 per cent. shall vest upon the Company's volume weighted average share price being 100 per cent. higher than the Placing Price for five consecutive trading days; and

(d) 25 per cent. shall vest upon the Company's volume weighted average share price being 150 per cent. higher than the Placing Price for five consecutive trading days.

Pursuant to the Fox-Davies Advisory Warrant Instrument, if on the date of exercise of any Fox-Davies Advisory Warrants, the Ordinary Shares are either admitted to trading on AIM or to the Official List, the Company shall use its reasonable endeavours to obtain admission to trading on AIM or listing (as the case may be) of the Ordinary Shares which are to be allotted on the exercise of such Fox-Davies Advisory Warrants, within five business days after allotment of the Ordinary Shares.

The Fox-Davies Advisory Warrant Instrument provides for certain provisions in relation to protection of warrantholders, including (but not limited to) anti-dilution protection and protection in the event of winding-up of the Company.

14. Material Contracts

Other than as set out below and in paragraph 13 of this Part VI, and other than contracts in the ordinary course of business, neither the Company nor any member of the Group, has entered into any contract in the two years immediately prior to the date of this document which is or may be material, or which contains any provision under which the Company or any member of the Group has any obligation or entitlement which is material to the Company as at the date of this document.

14.1 *Placing Agreement*

Under the Placing Agreement dated 11 March 2022 between the Company, each Director, Jason Baverstock, Luke Jarvis, Beaumont Cornish and Fox-Davies:

(a) Fox-Davies has agreed to use its reasonable endeavours to procure subscribers for the Placing Shares at the Placing Price;

(b) the Company has agreed to pay the costs relating to Admission and the Placing (and a fee to Fox-Davies and Beaumont Cornish), given certain warranties to Fox-Davies and Beaumont Cornish as to accuracy of the information in this document and certain other matters concerning the Company and the Group and given an indemnity to Fox-Davies and Beaumont Cornish and their respective affiliates in respect of certain liabilities and claims that may arise or be made against them in connection with the IPO;

(c) the Company has agreed, subject to Fox-Davies' and Beaumont Cornish's obligations under the Placing Agreement becoming unconditional, to allot and issue the Placing Shares to or at the direction of the persons procured by Fox-Davies to subscribe them under the Placing and to pay Fox-Davies:

  (i) a cash commission equal to 5 per cent. of the aggregate value at the Placing Price of all Placing Shares subscribed by investors introduced by Fox-Davies;

  (ii) a cash commission of 6.5 per cent. of the aggregate value at the Placing Price of all Placing Shares subscribed by investors sourced pursuant to fee splitting agreements between Fox-Davies and other brokers and financial advisory companies, including private client brokers,

  plus VAT where applicable;

(d) Fox-Davies and Beaumont Cornish's obligations are conditional on (i) Admission occurring by 8.00 am on 17 March 2022 or by such later date no later than 28 March 2022 as may be agreed between Fox-Davies, Beaumont Cornish and the Company and (ii) the fulfilment, or waiver by Fox-Davies or Beaumont Cornish of certain procedural and other customary conditions; and

(e) Fox-Davies and Beaumont Cornish each have the right to terminate their respective obligations under the Placing Agreement prior to Admission in the event of any breach by the Company or any Director of any of their respective obligations or warranties which they consider to be material and in the event of certain force majeure circumstances. If either of Fox-Davies' or Beaumont Cornish's obligations under the Placing Agreement are terminated, the Placing will not proceed and no shares will be issued or sold under the Placing.

14.2 *Nominated Adviser Agreement*

Pursuant to a nominated adviser agreement dated 11 March 2022 between Beaumont Cornish, the Company, and the Directors, Beaumont Cornish has agreed to act as the Company's nominated adviser from Admission for the purpose of the AIM Rules for Companies. The agreement provides that Beaumont Cornish shall be paid an annual retainer fee for the provision of nominated adviser services of £45,000. This annual retainer fee shall increase to £50,000 after the initial one-year period from the date of the agreement.

The appointment of Beaumont Cornish as nominated adviser under the nominated adviser agreement shall (subject to certain early termination provisions in the agreement) continue for an initial term of 12 months unless and until terminated by either the Company or Beaumont Cornish giving to the other not less than 90 calendar days' prior written notice.

The nominated adviser agreement contains indemnities and undertakings given by the Company, including certain undertakings given by the Directors.

14.3 ***Fox-Davies Engagement Letter***

On 11 March 2022, the Company signed an engagement letter with Fox-Davies pursuant to which Fox-Davies has agreed to act as corporate broker with effect from Admission for an annual broker fee of £60,000 per annum (plus VAT where applicable), which fee shall be payable quarterly in advance, starting on Admission. The letter contains an indemnity in favour of Fox-Davies. The appointment is terminable by either party by written notice.

14.4 ***Share Exchange Agreement***

On 14 February 2022, the Company entered into the Share Exchange Agreement with certain of the shareholders of CleanTech Lithium ("**Selling Shareholders**"). Pursuant to the terms of the Share Exchange Agreement (and an associated drag-along process), the Company acquired the entire issued share capital of CleanTech Lithium Ltd in consideration for the issue of 60,366,573 Ordinary Shares to the shareholders of CleanTech Lithium Ltd. The Share Exchange Agreement contains certain warranties provided by the Selling Shareholders to the Company.

14.5 ***Lock-in Agreements***

Pursuant to the terms of lock-in and orderly market deeds entered into on 11 March 2022 by the Company, Beaumont Cornish, Fox-Davies and each of the Directors and Luke Jarvis, Jason Paul Baverstock and Mauro Moretti de Moras (the "**Director Locked-In Shareholders**"), who on Admission will hold 25,298,040 Ordinary Shares in aggregate, representing 32.0 per cent. of the Enlarged Share Capital, have, conditional on Admission, undertaken to the Company, Beaumont Cornish and Fox-Davies that, save in specified and customary circumstances summarised below, they will not dispose of any interest in Ordinary Shares held by them or any connected person (or enter into a transaction with the same economic effect) prior to the date which is 12 months from the date of Admission (the "**Restricted Period**") and, for a further period of 12 months following the expiry of the Restricted Period, only to dispose of their Ordinary Shares through Fox-Davies during that period, in such a manner as to maintain an orderly market.

There are certain market standard exceptions to the restrictions on disposal set out in the Lock-in Agreements, including among others, disposals in acceptance of a general offer made to all Shareholders, disposals by court order, and disposals by the personal representative after the death of a Director Locked-in Shareholder (if applicable).

In addition, pursuant to the terms of a lock-in deed entered into on 11 March 2022 by the Company, Beaumont Cornish, Fox-Davies and an institutional Shareholder (the "**Locked Institution**"), who on Admission will be the holder of 3,000,000 Ordinary Shares, representing 3.8 per cent. of the Enlarged Share Capital, the Locked Institution have, conditional on Admission, undertaken to the Company, Beaumont Cornish and Fox-Davies not to dispose of any interest exceeding 50 per cent. of any Ordinary Shares owned by them for a period of 12 months from Admission, except in certain limited circumstances considered customary for an agreement of this nature.

14.6 ***Laguna Verde Option Agreement***

Pursuant to the Laguna Verde Option Agreement, Atacama is granted a unilateral and irrevocable option to purchase, at its sole discretion, certain mining rights of exploration and exploitation (the "**Concessions**") (the "**LV Option**") owned by certain offerors (the "**Vendors**"). The price payable by Atacama to the Vendors is to be calculated in reference to (i) a fixed price of $334,000, of which $43,000 has been paid, with the balance payable in annual instalments of $76,000 on 23 April 2022, $85,000 on 23 April 2023 and $130,000 on 23 April 2024, and (ii) a variable price ("**Variable Price**"). The Variable Price shall comprise a 20 per cent. cash payment with the remaining 80 per cent. being satisfied by the issue of shares. It is to be calculated in reference to the valuation of lithium carbonate and other commercially extractable products from the

Concessions, calculated at the present market value of 1.5% of the projected reserves from the Concessions. The minimum Variable Price payable by Atacama to the Offerors pursuant to the LV Option is limited to $3,500,000. The Laguna Verde Option Agreement is governed by the laws of Chile.

At present the Laguna Verde Option Agreement refers to the issuance of ordinary shares by CleanTech Lithium Ltd since this agreement was entered into prior to the Share Exchange Agreement becoming effective. Atacama is in the process of agreeing an amendment with the Vendors to reflect that the shares to be issued as part of the Variable Price will in fact be Ordinary Shares issued by the Company.

Other key terms of the Laguna Verde Option Agreement include the following:

(a) Atacama may exercise the LV Option at any time from 20 April 2021 until 23 April 2026 (the "**Term**"). Atacama may at any time during the Term withdraw from the Laguna Verde Option Agreement.

(b) Atacama is required to pay all annual costs in relation to the Concessions' annual mining patents from the date of the agreement.

(c) The shares to be issued under the Variable Price shall be issued and paid in full 30 days after the commencement of construction of the Group's lithium processing plant (the "**Processing Plant**").

(d) 50 per cent. of the cash element of the Variable Price shall be payable once the Processing Plant is commercially operative, with the remaining 50 per cent. due 1 year after such date.

14.7 ***Cooperation Agreement***

Pursuant to the Cooperation Agreement, Beyond Lithium has agreed to undertake various projects for CleanTech Lithium Ltd, including (i) laboratory test-work ("the **Laboratory Work**") (ii) the construction of the Processing Plant and (iii) a patent application over certain of Beyond Lithium's processes (the "**Patent Application**"). In consideration for CleanTech Lithium Ltd funding the costs of the Patent Application, Beyond Lithium has granted to CleanTech Lithium Ltd the exclusive use of such patent, or, if both parties agree, to licensing the patent to a third party, such licence fee being split equally between Beyond Lithium and CleanTech Lithium Ltd.

Under the Cooperation Agreement, CleanTech Lithium Ltd is to pay Beyond Lithium in two separate tranches, each tranche payable upon the completion of a defined "milestone", such milestones being the commencement of the Laboratory Work, the evaluation of Laboratory Work and the completion of the construction of the Processing Plant. The payments due at each relevant milestone are to be paid in both cash and by the issue of Milestone Shares in the Company (the "**Share Payment**").

The key terms of the Cooperation Agreement and share based incentive scheme with Beyond Lithium are shown below. The aggregate amount payable in cash is to be $200,000 with $1,200,000 payable as Milestone Shares which will be issued to Beyond Lithium at the volume-weighted average price of shares in the 30-day period immediately preceding their issue and be subject to standard lock-in arrangements.

Cooperation Agreement with Beyond Lithium Key Terms

Milestone	Description	Duration	Milestone Shares
1) Laboratory Test-work	Process trials on an initial 60L sample and then a 2,000L sample to produce 1kg of battery grade lithium carbonate	Seven months	200,000 Milestone Shares USD50,000
2) Evaluation Period	CleanTech Lithium Ltd will evaluate the results of the laboratory testing and decided unilaterally either to terminate the contract or move forward to the Pilot Plant construction	Three months	–
3) Pilot Plant	Build pilot plant at site to produce 10 tonnes per month of battery grade lithium carbonate for 3 consecutive months	12 months	1,000,000 Milestone Shares USD150,000

At present the Cooperation Agreement refers to the issuance of Milestone Shares by CleanTech Lithium Ltd since this agreement was entered into prior to the Share Exchange Agreement becoming effective. CleanTech Lithium Ltd is in the process of agreeing an amendment with Beyond Lithium to reflect that the Milestone Shares will in fact be issued by the Company.

CleanTech Lithium Ltd may terminate the Cooperation Agreement at any time without cause. The Cooperation Agreement is governed by the laws of Chile.

15. Related Party Transactions

The transactions referred to in note 14 to the financial statements in Section D "*Historical Financial Information of the Underlying Group*", Part III of this document and note 9 to the financial statements in Section E *"Interim Financial Information of the Underlying Group*", Part III of this document are the only related party transactions which, as a single transaction or in their entirety, are or may be material (within the meaning of the AIM Rules for Companies) to the Company and have been entered into by the Company during the periods for which historical financial information appears in this document.

16. Litigation

16.1 No member of the Group is or has been involved in any governmental, legal or arbitration proceedings which may have, or have had during the last 12 months preceding the date of this document, a significant effect on the Company's financial position or profitability and, so far as the Directors are aware, there are no such proceedings pending or threatened against the Company or its wholly-owned subsidiaries save as disclosed below at paragraph 16.2 of this Part VI.

16.2 Laguna Negro Francisco SpA ("**Laguna Negro**"), one of the Group's Chilean subsidiaries, is currently under an investigation by Chilean authorities for undertaking a drilling exploration campaign (the "**Drilling**") within the boundaries of the Nevado Tres Cruces National Park without a suitable environmental licence, thereby acting in breach of applicable Chilean environmental law. The Group has subsequently received evidence from the National Forestry Corporation (a Chilean governmental agency) that the Drilling occurred outside of the national park and therefore in compliance with the corresponding environmental regulations. Despite this, the investigation against Laguna Negro remains ongoing and has not been resolved, and a final decision regarding the Drilling is awaited. Consequently, Laguna Negro may be issued a fine or be subjected to a further environmental assessment, the outcome of which cannot be predicted.

17. Working Capital

The Directors are of the opinion that, having made due and careful enquiry, taking into account the net proceeds of the Placing receivable by the Company, the working capital available to the Group will be

sufficient for its present requirements, that is for at least the next twelve months from the date of admission to AIM.

18. Significant Change

Company

18.1 There has been no significant change in either the financial position or financial performance of the Company since 31 December 2021, being the date to which the audited Company Financial Information set out in Section B "*Historical Financial Information of the Company*" of Part III of this document has been prepared, save for the acquisition by the Company of CleanTech Lithium Ltd pursuant to the Share Exchange Agreement (and an associated drag-along process) on 14 February 2022.

Underlying Group

18.2 There has been no significant change in either the financial position or financial performance of the Underlying Group since 30 June 2021, being the date to which the unaudited Underlying Group Interim Financial Information set out in Section E "*Unaudited Interim Financial Information of the Underlying Group*" of Part III of this document has been prepared, save for:

- the issue of ordinary shares in CleanTech Lithium Ltd to the value of £4,000,000; and
- the acquisition by the Company of CleanTech Lithium Ltd pursuant to the Share Exchange Agreement (and an associated drag-along process) on 14 February 2022.

19. General

19.1 The gross proceeds of the Placing are expected to be £5.6 million, with the total net proceeds of the Placing receivable by the Company after settling fees are expected to be approximately £4.8 million. The total costs and expenses relating to Admission and the Placing (including those fees and commissions referred to in paragraph 14.1 of this Part VI) payable by the Company are estimated to be £0.8 million (excluding VAT).

19.2 The Placing Shares are not being offered generally and no applications have or will be accepted other than under the terms of the Placing Agreement. All the Placing Shares have been placed firm with Placees. The Placing is not being guaranteed or underwritten by any person.

19.3 Moneys received from Placees pursuant to the Placing will be held in accordance with the terms and conditions of the Placing until such time as the Placing Agreement becomes unconditional in all respects. If the Placing Agreement does not become unconditional in all respects by 28 March 2022, application moneys will be returned to the Placees at their risk without interest.

19.4 The Placing Price represents a premium of 29 pence over the nominal value of 1 pence per Ordinary Share.

19.5 Save as disclosed in this document:

(a) there have been no significant changes impacting the Group's operations and principal activities; and

(b) there have been no significant trends in the Group's production, sales and inventory, and costs and selling prices, in each case, since 31 December 2021, the date to which the Company's latest audited year-end financial information was prepared and published; and

(c) there are no provisions in the Articles which would have the effect of delaying, deferring or preventing a change of control of the Company.

19.6 Save as disclosed in this document, the Directors are not aware of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the prospects of the Group for the current financial year to 31 December 2022.

19.7 Beaumont Cornish, the nominated adviser to the Company, is a member of the London Stock Exchange and is authorised and regulated in the United Kingdom by the Financial Conduct Authority. Beaumont Cornish has given and not withdrawn its written consent to the inclusion in

this document of its name and reference to it in the form and context in which they appear.

19.8 Fox-Davies, the broker to the Company, is a member of the London Stock Exchange and is authorised and regulated in the United Kingdom by the Financial Conduct Authority. Fox-Davies has given and not withdrawn its written consent to the inclusion in this document of its name and reference to it in the form and context in which they appear.

19.9 Crowe U.K. LLP the statutory auditors of the Company and member firm of chartered accountants regulated by the Institute of Chartered Accountants in England and Wales of 55 Ludgate Hill, London EC4M 7JW, have audited the Company Financial Information and the Underlying Group Financial Information.

19.10 Crowe U.K. LLP, the reporting accountant, has given and not withdrawn its written consent to the inclusion in this document of its reports in relation to the Company Financial Information included in Section A "*Accountant's Report on the Historical Financial Information of the Company*", the Underlying Group Financial Information included in Section C "*Accountant's Report on the Historical Financial Information of the Underlying Group*" and the Pro Forma Financial Information included in Section F "*Accountant's Report on the Unaudited Pro Forma Financial Information of the Company*" of Part III of this document and accepts responsibility for the same pursuant to Schedule Two of the AIM Rules for Companies.

19.11 The Competent Person's Report is included, in the form and context in which it is included, with the consent of Montgomery & Associates, which has authorised the contents of its report for the purposes of the AIM Rules for Companies. Montgomery & Associates has given and has not withdrawn its written consent to the inclusion in this document of its name and reference to it in the form and context in which they appear.

19.12 Save as otherwise disclosed in this document, there are no patents or other intellectual property rights, licences, industrial, commercial or financial contracts or new manufacturing processes which are material to the Group's business or profitability.

19.13 Where information in this document has been sourced from a third party, this information has been accurately reproduced. So far as the Company and the Directors are aware and are able to ascertain from information provided by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

19.14 No person (excluding professional advisers otherwise disclosed in this document and trade suppliers) has received, directly or indirectly, from the Company within the twelve months preceding its application for Admission or entered into contractual agreements (not otherwise disclosed in this document) to receive, directly or indirectly, from the Company on or after Admission any of the following: (i) fees totalling £10,000 or more; (ii) its securities where these have a value of £10,000 or more calculated by reference to the Placing Price; or (iii) any other benefit with a value of £10,000 or more at the date of Admission.

19.15 There have been no payments in excess of £10,000 made by or on behalf of the Company to any government or regulatory body with regard to the acquisition or maintenance of any of the Company's assets, in the 12 months preceding 10 March 2022 (being the latest practicable date prior to the publication of this document).

19.16 The ISIN for the Ordinary Shares is JE00BPCP3Z37.

19.17 Pursuant to Chapter 5 of the DTRs, as incorporated by reference into the Articles, a person must notify the Company of the percentage of its voting rights he holds as shareholder or through his direct or indirect holding of certain financial instruments (or a combination of such holdings) if the percentage of those voting rights: (a) reaches, exceeds or falls below 3 per cent., 4 per cent., 5 per cent., 6 per cent., 7 per cent., 8 per cent., 9 per cent., 10 per cent. and each 1 per cent. threshold thereafter up to 100 per cent. as a result of an acquisition or disposal of shares or such financial instruments; or (b) reaches, exceeds or falls below an applicable threshold in (a) as a result of events changing the breakdown of voting rights and on the basis of information disclosed by the Company in accordance with the DTRs. Certain voting rights held by investment managers, unit trusts, open-ended investment companies and market makers can be disregarded except at the thresholds of 5 per cent. and 10 per cent. and above.

19.18 Save as set out in this document, the Company has not made any other material investments since 31 December 2021, the date to which the Company's latest audited year-end financial information was prepared and published or which are in progress and/or for which firm commitments have been made together with anticipated source of funds.

19.19 The accounting reference date of the Company is 31 December.

19.20 A total of 18,666,667 Placing Shares will be issued pursuant to the Placing, increasing the number of Ordinary Shares in issue from 60,366,575 to 79,033,242. Assuming existing Shareholders are not participating in the Placing, such existing Shareholders will be diluted, as a percentage of the Enlarged Share Capital, by approximately 23.6 per cent. of votes and share capital as a result of the Placing.

19.21 The net asset value of an existing Ordinary Share prior to the issue of the Placing Shares, based on the net assets of the Company as at 31 December 2021, is 1 pence per share. On the basis that the Company has been incorporated to act as the holding company of the Group, a more meaningful net asset per share calculation would be one that is applied to the Underlying Group. Accordingly, the net asset value of an existing Ordinary Share prior to the issue of the Placing Shares, based on the net assets of the Underlying Group as at 30 June 2021, is 1.4 pence per share. The Placing Price is 30 pence.

19.22 Save as disclosed in this document, the Directors are unaware of any environmental issues that may affect the Company's utilisation of its tangible fixed assets.

19.23 Since incorporation, the Company has not made up any financial statements or published any financial information save for the information contained in Part III of this document.

20. Jersey

20.1 The JFSC has given, and has not withdrawn, its consent under Article 2 of the Control of Borrowing (Jersey) Order 1958 to the issue of shares in the Company.

20.2 It must be distinctly understood that, in giving this consent, the JFSC does not take any responsibility for the financial soundness of the Company or for the correctness of any statements made, or opinions expressed, with regard to it.

20.3 The JFSC is protected by the Control of Borrowing (Jersey) Law 1947, as amended, against liability arising from the discharge of its functions under that law.

20.4 The Directors have taken all reasonable care to ensure that the facts stated in this document are true and accurate in all material respects, and that there are no other facts the omission of which would make misleading any statement in the document, whether of facts or of opinion. The Directors accept responsibility accordingly.

20.5 If you are in any doubt about the contents of this document, you should consult your stockbroker, bank manager, solicitor, accountant or financial adviser.

20.6 The price of securities and the income from them can go down as well as up. Nothing in this document or anything communicated to holders or potential holders of any shares (or interests in them) by or on behalf of the Company is intended to constitute or should be construed as advice on the merits of the purchase of or subscription for any shares (or interests in them) for the purposes of the Financial Services (Jersey) Law 1998.

20.7 It should be remembered that the price of securities and the income from them can go down as well as up and that shareholders may not receive, on sale of their shares, the amount that they invested.

20.8 Investors are strongly recommended to read and consider this document before completing an application.

21. Taxation

Jersey – The Company

21.1 The Company will be regarded as resident for tax purposes in Jersey.

21.2 On the basis that the Company is not a financial services company, specified utility company or a large corporate retailer, it does not import into, and supply in, Jersey hydrocarbon oil or own land in Jersey for the purposes of the Income Tax (Jersey) Law 1961, as amended and does not own land in Jersey from which it receives income, the Company will be subject to income tax in Jersey at a rate of zero per cent.

Jersey – Shareholders

21.3 Dividends on Ordinary Shares and redemption proceeds may be paid by the Company without withholding or deduction for or on account of Jersey income tax.

21.4 Non-Jersey resident Shareholders will be exempt from Jersey income tax on receipt of any distributions from the Company. Shareholders who are resident in Jersey for income tax purposes may be liable to pay income tax on distributions (including redemption proceeds) received from the Company.

Goods and Services Tax

21.5 Jersey imposes a Goods and Services Tax ("**GST**") on the supply of goods and services in or imported into Jersey. The current GST rate is 5 per cent. On the basis that the Company has obtained "**International Services Entity**" status, the Company is not:

(a) required to register as a taxable person pursuant to the Goods and Services Tax (Jersey) Law, 2007;

(b) required to charge GST in Jersey in respect of any supply made by it; or

(c) (subject to limited exceptions that are not expected to apply to the Company) required to pay GST in Jersey in respect of any supply made to it.

The Directors intend to continue to conduct the business of the Company such that no GST will be incurred or be payable by the Company.

Stamp Duty

21.6 In Jersey, no stamp duty is levied on the issue, acquisition, ownership, exchange, sale, transfer or other disposition of shares between living persons except that stamp duty is payable on Jersey grants of probate and letters of administration, which will generally be required to transfer shares on the death of a holder of such shares. In the case of grants of probate or letters of administration, stamp duty is levied on all Shareholders according to the size of the deceased's moveable estate (wherever situated in respect of a holder of Ordinary Shares domiciled in Jersey, or situated in Jersey in respect of a holder of Ordinary Shares domiciled outside Jersey).

21.7 The rules for joint holders and holdings through a nominee are different and advice relating to this form of holding should be obtained from a professional advisor.

21.8 Purchasers of Ordinary Shares may be required to pay stamp taxes and other charges in accordance with the laws and practices of the country of purchase or other relevant jurisdiction.

Capital Taxes

21.9 Jersey does not levy capital gains tax, inheritance tax or similar taxes nor are there any estate duties.

Country-by-Country Reporting

21.10 The States of Jersey enacted the Taxation (Implementation) (International Tax Compliance) Country-by-Country Reporting: BEPS) (Jersey) Regulations 2016 (the "**Regulations**"). The Regulations apply from 1 January 2016 and place an obligation for certain multinational enterprises with the ultimate parent entity resident in Jersey to report annually to the Comptroller

of Revenue details of revenue, profit, taxes and other measures of economic activity for each tax jurisdiction in which they carry out business. The Regulations also mandate certain Jersey entities to file local Country-by-Country reports in addition to imposing a notification obligation on Jersey constituent entities.

21.11 In order to trigger the reporting obligations, the group of which a Jersey entity is a member must have a consolidated group revenue of at least €750 million. The Directors expect that the Company will not generate consolidated group revenue of €750 million threshold, and therefore will not be required to report. However, Shareholders will need to consider whether their investment in the Company will trigger the reporting obligations.

Jersey – Economic Substance

21.12 The States Assembly passed the proposed legislation under the new Taxation (Companies-Economic Substance) (Jersey) Law (the "**ES**L") on 6 December 2018. The ESL became effective from 1 January 2019 and addresses the commitment made by Jersey to the EU Code of Conduct Group (Business Taxation) to introduce economic substance requirements for undertaking business in Jersey.

21.13 The ESL applies to Jersey resident companies and it is necessary to assess whether they carry on 'relevant activities' as defined by the ESL. The term has been derived from categories of geographically mobile income identified by the OECD forum on harmful tax practices and include fund management business, finance and leasing business and holding company business. If any of the relevant activities are performed by a Jersey resident company, there is a requirement to satisfy the economic substance test as set out in the ESL. Failure to satisfy the requirements in Jersey will result in a hierarchy of sanctions including a maximum fine of up to £100,000 and the possibility of the Company being stuck-off the Jersey register.

The Company does expect to perform relevant activities as defined in the ESL based on the currently available guidance. The Directors are comfortable that the economic substance test will be complied with. The Directors will review this regularly to ensure it remains the case.

Taxation in the UK

21.14 The following information is based on UK tax law and HMRC practice currently in force in the UK. Such law and practice (including, without limitation, rates of tax) is in principle subject to change at any time. The information that follows is for guidance purposes only. Any person who is in any doubt about his or her position should contact their professional advisor immediately.

Tax treatment of the Company

The following information is based on the law and practice currently in force in the UK.

21.15 Provided that the Company is not resident in the UK for taxation purposes and does not carry out any trade in the UK (whether or not through a permanent establishment situated there), the Company should not be liable for UK taxation on its income and gains, other than in respect of interest and other income received by the Company from a UK source (to the extent that it is subject to the withholding of basic rate income tax in the UK).

It is the intention of the Directors to conduct the affairs of the Company such that the central management and control of the Company is not exercised in the UK, in order that the Company does not become resident in the UK for taxation purposes. The Directors intend, insofar as this is within their control, that the affairs of the Company are conducted such that the Company is not treated as carrying on a trade in the UK through a permanent establishment.

Tax treatment of UK investors

21.16 The following information, which relates only to UK taxation, is applicable to persons who are resident in the UK and who beneficially own Ordinary Shares as investments and not as securities to be realised in the course of a trade. It is based on the law and practice currently in force in the UK. The information is not exhaustive and does not apply to potential investors:

(a) who intend to acquire, or may acquire (either on their own or together with persons with whom they are connected or associated for tax purposes), more than 10 per cent. of the Ordinary Shares; or

(b) who intend to acquire Ordinary Shares as part of tax avoidance arrangements; or

(c) who are in any doubt as to their taxation position.

Such Shareholders should consult their professional advisers without delay. Shareholders should note that tax law and interpretation can change and that, in particular, the levels, basis of and reliefs from taxation may change. Such changes may alter the benefits of investment in the Company.

21.17 Shareholders who are neither resident nor temporarily non-resident in the UK and who do not carry on a trade, profession or vocation through a branch, agency or permanent establishment in the UK with which the Ordinary Shares are connected, will not normally be liable to UK taxation on dividends paid by the Company, or on capital gains arising on the sale or other disposal of Ordinary Shares. Such Shareholders should consult their own tax advisers concerning their tax liabilities.

Dividends

21.18 Where the Company pays dividends, no UK withholding taxes are deducted at source. Shareholders who are resident in the UK for tax purposes will, depending on their circumstances, be liable to UK income tax or corporation tax on those dividends.

21.19 UK resident individual Shareholders who are domiciled in the UK, and who hold their Ordinary Shares as investments, will be subject to UK income tax on the amount of dividends received from the Company.

21.20 Dividend income received by UK tax-resident individuals will have a £2,000 per annum dividend tax allowance. Dividend receipts in excess of £2,000 will be taxed at 7.5 per cent. for basic rate taxpayers, 32.5 per cent. for higher rate taxpayers and 38.1 per cent. for additional rate taxpayers. An additional Health & Social Levy of 1.25 per cent. has also been announced that will apply on dividend payments from April 2022.

21.21 Shareholders who are subject to UK corporation tax should generally, and subject to certain anti-avoidance provisions, be able to claim exemption from UK corporation tax in respect of any dividend received, but will not be entitled to claim relief in respect of any underlying tax.

Disposals of Ordinary Shares

21.22 Any gain arising on the sale, redemption or other disposal of Ordinary Shares will be taxed at the time of such sale, redemption or disposal as a capital gain.

21.23 The rate of capital gains tax on disposal of Ordinary Shares by basic rate taxpayers is 10 per cent., and 20 per cent. for upper rate and additional rate taxpayers.

21.24 For Shareholders within the charge to UK corporation tax, indexation allowance up until 1 January 2018 may reduce any chargeable gain arising on disposal of Ordinary Shares, but will not create or increase an allowable loss.

21.25 Subject to certain exemptions, the corporation tax rate applicable to its taxable profits is currently 19 per cent. In the Budget on 3 March 2021, it was announced that the rate would increase to 25 per cent. after 1 April 2023.

Further information for Shareholders Subject to UK Income Tax and Capital Gains Tax

21.26 The attention of Shareholders (whether corporates or individuals) within the scope of UK taxation is drawn to the provisions set out in, respectively, Part 15 of the Corporation Tax Act 2010 and Chapter 1 of Part 13 of the Income Tax Act 2007, which (in each case) give powers to HMRC to raise tax assessments so as to cancel "*tax advantages*" derived from certain prescribed "*transactions in securities*".

Stamp Duty and Stamp Duty Reserve Tax

21.27 The statements below are intended as a general guide to the current position. They do not apply to certain intermediaries who are not liable to stamp duty or stamp duty reserve tax or, except where stated otherwise, to persons connected with depositary arrangements or clearance services who may be liable at a higher rate.

21.28 No stamp duty or stamp duty reserve tax will generally be payable on the issue of Ordinary Shares.

21.29 Neither UK stamp duty nor stamp duty reserve tax should arise on transfers of Ordinary Shares on AIM, including instruments transferring Ordinary Shares and agreements to transfer Ordinary Shares, based on the following assumptions:

(a) the Ordinary Shares are admitted to trading on AIM, but are not listed on any market, with the term "*listed*" being construed in accordance with section 99A of the Finance Act 1986, and this has been certified to Euroclear; and

(b) AIM continues to be accepted as a "*recognised growth market*", as construed in accordance with section 99A of the Finance Act 1986.

21.30 In the event that either of the above assumptions does not apply, stamp duty or stamp duty reserve tax may apply to transfers of Ordinary Shares in certain circumstances.

21.31 The above comments are intended as a guide to the general stamp duty and stamp duty reserve tax position and may not relate to persons such as charities, market makers, brokers, dealers, intermediaries and persons connected with depositary arrangements or clearance services to whom special rules apply.

THIS SUMMARY OF UK TAXATION ISSUES CAN ONLY PROVIDE A GENERAL OVERVIEW OF THESE AREAS AND IT IS NOT A DESCRIPTION OF ALL THE TAX CONSIDERATIONS THAT MAY BE RELEVANT TO A DECISION TO INVEST IN THE COMPANY. THE SUMMARY OF CERTAIN UK TAX ISSUES IS BASED ON THE LAWS AND REGULATIONS IN FORCE AS OF THE DATE OF THIS DOCUMENT AND MAY BE SUBJECT TO ANY CHANGES IN UK LAWS OCCURRING AFTER SUCH DATE. LEGAL ADVICE SHOULD BE TAKEN WITH REGARD TO INDIVIDUAL CIRCUMSTANCES. ANY PERSON WHO IS IN ANY DOUBT AS TO HIS TAX POSITION OR WHERE HE IS RESIDENT, OR OTHERWISE SUBJECT TO TAXATION, IN A JURISDICTION OTHER THAN THE UK, SHOULD CONSULT HIS PROFESSIONAL ADVISER.

22. Availability of This Document

Copies of this document are available for download at the Company's website at www.ctlithium.com

11 March 2022